

## IMPORTANT NOTICE

**THE SECURITIES DESCRIBED HEREIN ARE AVAILABLE ONLY TO INVESTORS WHO ARE EITHER (1) QIBs (AS DEFINED BELOW) UNDER RULE 144A OF THE SECURITIES ACT (AS DEFINED BELOW) OR (2) ADDRESSEES WHO ARE NON-U.S. PERSONS (AS DEFINED BELOW) PURCHASING THE SECURITIES OUTSIDE THE UNITED STATES IN AN OFFSHORE TRANSACTION IN RELIANCE ON REGULATION S UNDER THE SECURITIES ACT.**

**IMPORTANT: You must read the following disclaimer before continuing.** The following disclaimer applies to the attached offering memorandum. You are therefore advised to read this disclaimer carefully before reading, accessing or making any other use of the attached offering memorandum. In accessing the attached offering memorandum, you agree to be bound by the following terms and conditions, including any modifications to them from time to time, each time you receive any information from us as a result of such access.

**Confirmation of Your Representation:** By accepting the e-mail and accessing the attached offering memorandum you shall be deemed to have represented that (1) (i) you are not in the United States and, to the extent you will purchase the securities described in the attached offering memorandum, you will be doing so pursuant to Regulation S under the U.S. Securities Act of 1933 (the "**Securities Act**") OR (ii) you are acting on behalf of, or you are, a qualified institutional buyer ("**QIB**"), as defined in Rule 144A under the Securities Act, AND (2) you consent to the delivery of the attached offering memorandum and any amendments or supplements thereto by electronic transmission.

The attached offering memorandum has been made available to you in electronic form. You are reminded that documents transmitted via this medium may be altered or changed during the process of transmission and consequently none of J.P. Morgan (S.E.A.) Limited, Merrill Lynch (Singapore) Pte. Ltd. and Oversea-Chinese Banking Corporation Limited or any of their respective directors, employees, representatives, affiliates or agents accept any liability or responsibility whatsoever in respect of any discrepancies between the offering memorandum distributed to you in electronic format and the hard copy version. We will provide a hard copy version to you upon request.

**Restrictions:** The attached document is an offering memorandum and is being furnished in connection with an offering exempt from registration under the Securities Act solely for the purpose of enabling a prospective investor to consider the purchase of the securities described herein.

**THE SECURITIES HAVE NOT BEEN, AND WILL NOT BE, REGISTERED UNDER THE SECURITIES ACT OR THE SECURITIES LAWS OF ANY STATE OR OTHER JURISDICTION OF THE UNITED STATES AND MAY NOT BE OFFERED OR SOLD WITHIN THE UNITED STATES EXCEPT PURSUANT TO AN EXEMPTION FROM, OR IN A TRANSACTION NOT SUBJECT TO, THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT AND ANY APPLICABLE STATE OR LOCAL SECURITIES LAWS.**

**NOTHING IN THIS ELECTRONIC TRANSMISSION CONSTITUTES AN OFFER OF SECURITIES FOR SALE IN ANY JURISDICTION WHERE IT IS UNLAWFUL TO DO SO.**

Except with respect to eligible investors in jurisdictions where such offer is permitted by law, nothing in this electronic transmission constitutes an offer or an invitation to subscribe for or purchase any of the securities described herein, and access has been limited so that it shall not constitute a general advertisement or solicitation in the United States or elsewhere. If a jurisdiction requires that the offering be made by a licensed broker or dealer and the underwriters or any affiliate of the underwriters is a licensed broker or dealer in that jurisdiction, the offering shall be deemed to be made by the underwriters or such affiliate on behalf of the Issuer in such jurisdiction.

You are reminded that you have accessed the attached offering memorandum on the basis that you are a person into whose possession the attached offering memorandum may be lawfully delivered in accordance with the laws of the jurisdiction in which you are located. If you have gained access to this transmission contrary to the foregoing restrictions, you will be unable to purchase any of the securities described therein.

**Actions That You May Not Take:** You should not reply by e-mail to this communication, and you may not purchase any securities by doing so. Any reply e-mail communications, including those you generate by using the "**Reply**" function on your e-mail software, will be ignored or rejected.

**YOU ARE NOT AUTHORIZED TO AND MAY NOT FORWARD OR DELIVER THE ATTACHED OFFERING MEMORANDUM, ELECTRONICALLY OR OTHERWISE, TO ANY OTHER PERSON OR REPRODUCE SUCH OFFERING MEMORANDUM IN ANY MANNER WHATSOEVER. ANY FORWARDING, DISTRIBUTION OR REPRODUCTION OF THIS DOCUMENT AND THE ATTACHED OFFERING MEMORANDUM, IN WHOLE OR IN PART, IS UNAUTHORIZED. FAILURE TO COMPLY WITH THIS DIRECTIVE MAY RESULT IN A VIOLATION OF THE SECURITIES ACT OR THE APPLICABLE LAWS OF OTHER JURISDICTIONS.**

You are responsible for protecting against viruses and other destructive items. Your use of this e-mail is at your own risk and it is your responsibility to take precautions to ensure that it is free from viruses and other items of a destructive nature.



## Oversea-Chinese Banking Corporation Limited

(incorporated with limited liability in the Republic of Singapore)

(Company Registration Number: 193200032W)

### U.S.\$30,000,000,000 Global Medium Term Note Program

Under the Global Medium Term Note Program described in this Offering Memorandum (the "**Program**"), Oversea-Chinese Banking Corporation Limited and any of its branches outside Singapore, including but not limited to its Sydney branch, ("**OCBC Bank**" or the "**Issuer**"), and certain other companies in and outside Singapore that are subsidiaries of OCBC Bank (each, a "**Specified Issuer**"), subject to compliance with all relevant laws, regulations and directives, may from time to time issue debt securities (the "**Notes**"). The Notes may include Subordinated Notes and Perpetual Capital Securities (each as defined herein) issued by the Issuer which may qualify as regulatory capital of the Issuer. Where used in this Offering Memorandum unless otherwise stated, "**Notes**" includes the Perpetual Capital Securities that may be issued from time to time under the Program. The aggregate nominal amount of Notes outstanding will not at any time exceed U.S.\$30,000,000,000 (or the equivalent in other currencies and subject to such increase as provided herein). Defined terms used in this Offering Memorandum have the meanings given to such terms in "Terms and Conditions of the Notes other than the Perpetual Capital Securities", "Terms and Conditions of the Perpetual Capital Securities", "Form of Pricing Supplement relating to Notes other than Perpetual Capital Securities", "Form of Pricing Supplement relating to Perpetual Capital Securities" and "Summary of the Program" as applicable.

Application has been made for permission to deal in, and for quotation of, any Notes which are agreed at the time of issue to be listed on the Singapore Exchange Securities Trading Limited (the "**SGX-ST**"). The relevant pricing supplement in respect of any issue of Notes (a "**Pricing Supplement**") will specify whether or not such Notes will be listed on the SGX-ST or any other stock exchange. There is no guarantee that an application to the SGX-ST will be approved. Admission of the Notes to the Official List of the SGX-ST is not to be taken as an indication of the merits of the Issuer, the Program or such Notes. The SGX-ST assumes no responsibility for the correctness of any of the statements made or opinions or reports contained in this Offering Memorandum.

The Program provides that Notes may be listed on such stock exchange(s) as may be agreed between the relevant Issuer and the relevant Dealer (as defined herein). Unlisted Notes may be issued pursuant to the Program.

In connection with the proposed issue of Senior Notes (as defined herein) by a Specified Issuer, such Specified Issuer will have executed an accession letter agreeing to be bound by all the terms of the Program Agreement (as defined herein) and a deed of accession agreeing to be bound by all the terms of the Agency Agreement (as defined herein) and the Trust Deed (as defined herein), respectively. In connection with the proposed issue of Senior Notes denominated in Australian dollars and issued in the Australian domestic capital market ("**AMTNs**") by a Specified Issuer, such Specified Issuer will have executed an accession letter agreeing to be bound by all the terms of the Australian Agency Agreement and a Note (AMTN) Deed Poll (each as defined herein). From and after execution and delivery of such letters and documents, such Specified Issuer shall become and be treated as an "Issuer" for the purposes of the Program Documents (as defined in the Program Agreement) and this Offering Memorandum. References herein to "Issuer" are references to the relevant Specified Issuer in respect of (and only to the extent of) the Senior Notes issued by it and in respect of the Program Documents only to the extent that it is bound by them and such references specifically exclude any other Specified Issuer. The liability of the Specified Issuer under the Senior Notes and each of the Program Documents is several and is separate in respect of each Series (as defined herein). No Specified Issuer shall be responsible for the obligations of any other Specified Issuer under any Senior Notes issued by such Specified Issuer, or any of the Program Documents.

Each Tranche (as defined in "**Summary of the Program**") of Notes (other than AMTNs) in bearer form ("**Bearer Notes**") will be represented on issue by a temporary global note in bearer form (each a "**Temporary Global Note**") or a permanent global note in bearer form (each a "**Permanent Global Note**") and, together with the Temporary Global Notes, the "**Global Notes**") and will be sold in an "offshore transaction" within the meaning of Regulation S ("**Regulation S**") under the U.S. Securities Act of 1933 (the "**Securities Act**"). Interests in a Temporary Global Note generally will be exchangeable for interests in a Permanent Global Note, or if so stated in the applicable Pricing Supplement, definitive Notes ("**Definitive Notes**"), on or after the date falling 40 days after the later of the commencement of the offering and the relevant issue date of such Tranche, in each case, upon certification as to non-U.S. beneficial ownership. Interests in Permanent Global Notes will be exchangeable for Definitive Notes as described under "Summary of Provisions Relating to the Notes while in Global Form".

Notes to be issued in registered form ("**Registered Notes**") (other than AMTNs) will be represented by registered certificates (each a "**Certificate**"), without interest coupons, with one Certificate being issued in respect of each Noteholder's entire holding of Registered Notes of one Series. AMTNs will be issued in registered certificated form, and will take the form of entries on a register established and maintained by a registrar in Australia and may be lodged with the clearing system ("**Austraclear System**") operated by Austraclear Ltd ("**Austraclear**"). Each Tranche of AMTNs will be represented by a certificate without coupons (each an "**AMTN Certificate**"), which shall be issued by the Issuer in respect of each Tranche of AMTNs. Registered Notes which are sold in an "offshore transaction" within the meaning of Regulation S ("**Unrestricted Notes**"), will initially be represented by a permanent registered global certificate (each an "**Unrestricted Global Certificate**") without interest coupons, which may be deposited on the relevant issue date: (a) with, and registered in the name of, a common depository on behalf of Euroclear Bank SA/NV ("**Euroclear**") and Clearstream Banking S.A. ("**Clearstream**"), with The Central Depository (Pte) Limited ("**CDP**") or with a sub-custodian for the Central Money Markets Unit Service ("**CMU**") operated by the Hong Kong Monetary Authority ("**HKMA**"); and (b) in the case of a Series intended to be cleared through a clearing system other than, or in addition to, Euroclear and/or Clearstream, CDP or the CMU, or delivered outside a clearing system, as agreed between the Issuer, the Issuing and Paying Agent (as defined herein), the Trustee (as defined herein) and the relevant Dealer. Registered Notes which are sold in the United States to "qualified institutional buyers" (each, a "**QIB**") within the meaning of Rule 144A ("**Rule 144A**") under the Securities Act ("**Restricted Notes**") will initially be represented by a permanent registered global certificate (each a "**Restricted Global Certificate**") and, together with the Unrestricted Global Certificate, the "**Global Certificates**"), without interest coupons, which may be deposited on the relevant issue date with a custodian (the "**Custodian**") for, and registered in the name of Cede & Co. as nominee for, The Depository Trust Company ("**DTC**"). The provisions governing the exchange of interests in Global Certificates for other Global Certificates or Definitive Notes are described in "Summary of Provisions Relating to the Notes while in Global Form". Certain provisions governing restrictions on transfer of Registered Notes are described in "Transfer Restrictions".

In relation to any Tranche, the aggregate nominal amount of the Notes of such Tranche, the interest or Distribution (as defined below) (if any) payable in respect of the Notes of such Tranche, the issue price and any other terms and conditions not contained herein which are applicable to such Tranche will be set out in a Pricing Supplement which, with respect to Notes to be listed, will be delivered to the SGX-ST on or before the date of issue of the Notes of such Tranche.

Pursuant to the Monetary Authority of Singapore Act, Chapter 186 of Singapore (the "**MAS Act**") and the Monetary Authority of Singapore (Resolution of Financial Institutions) Regulations 2018 (the "**MAS Regulations**"), Subordinated Notes and Perpetual Capital Securities (each as defined herein) are eligible instruments (as defined in the MAS Regulations). Accordingly, should a Bail-in Certificate (as defined herein) be issued, Subordinated Notes and Perpetual Capital Securities (each as defined herein) may be subject to cancellation, modification, conversion and/or change in form, as set out in such Bail-in Certificate.

**THE NOTES HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE SECURITIES ACT OR WITH ANY SECURITIES REGULATORY AUTHORITY OF ANY STATE OR OTHER JURISDICTION OF THE UNITED STATES, AND THE NOTES MAY INCLUDE BEARER NOTES THAT ARE SUBJECT TO U.S. TAX LAW REQUIREMENTS. SUBJECT TO CERTAIN EXCEPTIONS, THE NOTES MAY NOT BE OFFERED OR SOLD OR, IN THE CASE OF BEARER NOTES, DELIVERED WITHIN THE UNITED STATES OR TO, OR FOR THE ACCOUNT OR BENEFIT OF, U.S. PERSONS (AS DEFINED IN REGULATION S). THE NOTES ARE BEING SOLD OUTSIDE THE UNITED STATES TO NON-U.S. PERSONS (AS DEFINED IN REGULATION S) IN RELIANCE ON REGULATION S AND WITHIN THE UNITED STATES TO QIBS IN RELIANCE ON RULE 144A.**

Notes issued under the Program may be rated or unrated. When an issue of Notes is rated, its rating will not necessarily be the same as the rating applicable to the Program. A rating is not a recommendation to buy, sell or hold securities and may be subject to suspension, revision, downgrade or withdrawal at any time by the assigning rating agency.

Prospective investors should have regard to the factors described under the section headed "Risk Factors" in this Offering Memorandum. This Offering Memorandum is an advertisement and is not a prospectus for the purposes of Regulation (EU) 2017/1129.

#### Arrangers and Dealers

BofA Merrill Lynch

J.P. Morgan

OCBC Bank

**If you are in any doubt about this Offering Memorandum, you should consult your broker, dealer, bank manager, solicitor, certified public accountant or other professional advisor. By accepting delivery of this Offering Memorandum, you agree to the conditions described below.**

This Offering Memorandum is to be read in conjunction with all documents which are deemed to be incorporated herein by reference (see “Documents Incorporated by Reference” below).

This Offering Memorandum is confidential and is being furnished by us in connection with an offering exempt from registration under the Securities Act solely for you to consider the purchase of the Notes described in this Offering Memorandum. The information contained in this Offering Memorandum has been provided by us and from other sources identified in this Offering Memorandum. Any reproduction or distribution of this Offering Memorandum, in whole or in part, and any disclosure of its contents or use of any information in this Offering Memorandum for any purpose other than considering an investment in the Notes, is prohibited.

No person has been authorized to give any information or to make any representation other than those contained in this Offering Memorandum in connection with the issue or sale of the Notes and, if given or made, such information or representation must not be relied upon as having been authorized by any Issuer, or any of the Arrangers, the Dealers, the Trustee or any Agent (each as defined in “Summary of the Program”). Neither the delivery of this Offering Memorandum nor any sale made in connection herewith shall, under any circumstances, create any implication that there has been no change in the affairs of the Issuer since the date hereof or the date upon which this Offering Memorandum has been most recently amended or supplemented or that there has been no adverse change in the financial position of the Issuer since the date hereof or the date upon which this Offering Memorandum has been most recently amended or supplemented or that any other information supplied in connection with the Program is correct as of any time subsequent to the date on which it is supplied or, if different, the date indicated in the document containing the same.

The distribution of this Offering Memorandum or any Pricing Supplement and the offering or sale of the Notes in certain jurisdictions may be restricted by law. Persons into whose possession this Offering Memorandum or any Pricing Supplement comes are required by the Issuer, the Arrangers and the Dealers to inform themselves about and to observe any such restrictions. For a description of certain further restrictions on offers and sales of the Notes and distribution of this Offering Memorandum, see “Plan of Distribution” and “Transfer Restrictions” and the applicable Pricing Supplement.

THE NOTES MAY BE OFFERED AND SOLD OUTSIDE THE UNITED STATES TO NON-U.S. PERSONS IN RELIANCE ON REGULATION S AND/OR WITHIN THE UNITED STATES TO QIBS IN RELIANCE ON RULE 144A. PROSPECTIVE PURCHASERS ARE HEREBY NOTIFIED THAT SELLERS OF REGISTERED NOTES MAY BE RELYING ON THE EXEMPTION FROM THE PROVISIONS OF SECTION 5 OF THE SECURITIES ACT PROVIDED BY RULE 144A. ANY SERIES OF NOTES MAY BE SUBJECT TO ADDITIONAL SELLING RESTRICTIONS. FOR A DESCRIPTION OF THESE AND CERTAIN FURTHER RESTRICTIONS ON OFFERS, SALES AND TRANSFERS OF NOTES AND THE DISTRIBUTION OF THIS OFFERING MEMORANDUM, SEE “PLAN OF DISTRIBUTION” AND “TRANSFER RESTRICTIONS” AND THE APPLICABLE PRICING SUPPLEMENT.

THE NOTES HAVE NOT BEEN APPROVED OR DISAPPROVED BY THE U.S. SECURITIES AND EXCHANGE COMMISSION, ANY STATE SECURITIES COMMISSION OR ANY OTHER U.S. REGULATORY AUTHORITY, NOR HAVE ANY OF THE FOREGOING AUTHORITIES PASSED UPON OR ENDORSED THE MERITS OF THE OFFERING OF NOTES OR THE ACCURACY OR ADEQUACY OF THIS OFFERING MEMORANDUM. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE IN THE UNITED STATES. THIS OFFERING

MEMORANDUM DOES NOT CONTAIN ALL OF THE INFORMATION THAT WOULD BE INCLUDED IN AN OFFERING MEMORANDUM IF THE OFFERING OF THE NOTES WERE REGISTERED UNDER THE SECURITIES ACT.

Neither this Offering Memorandum nor any information supplied in connection with the Program constitutes an offer of, or an invitation by or on behalf of the Issuer or the Dealers to subscribe for, or purchase, any Notes.

OCBC Bank was granted the authority to carry on banking business in Australia under the Banking Act 1959 of Australia (the “**Australian Banking Act**”) by the Australian Prudential Regulation Authority (“**APRA**”). The depositor protection provisions of Division 2 of Part II of the Australian Banking Act do not apply to OCBC Bank (including OCBC Bank acting through its Sydney branch). However, under Section 11F of the Australian Banking Act, if OCBC Bank (whether in or outside Australia) suspends payment or becomes unable to meet its obligations, the assets of OCBC Bank in Australia are to be available to meet its liabilities in Australia (including where those liabilities are in respect of AMTNs issued by OCBC Bank acting through its Sydney branch) in priority to all other liabilities of OCBC Bank. Further, under Section 86 of the Reserve Bank Act 1959 of Australia, debts due by OCBC Bank to the Reserve Bank of Australia shall in any winding-up of OCBC Bank have priority over all other debts of OCBC Bank.

OCBC Bank is authorized by the Prudential Regulation Authority under the Financial Services and Markets Act 2000, as amended (the “**FSMA**”) in the United Kingdom, with firm reference number 204687. It is subject to regulation by the Financial Conduct Authority and limited regulation by the Prudential Regulation Authority.

This Offering Memorandum is not a prospectus for the purposes of the Regulation (EU) 2017/1129 as implemented in member states of the European Economic Area (the “**EEA**”) or in the United Kingdom (the “**UK**”) (the “**Prospectus Regulation**”). This Offering Memorandum has been prepared on the basis that all offers of the Notes will be made pursuant to an exemption under the Prospectus Regulation from the requirement to produce a prospectus in connection with offers of the Notes. Accordingly, any person making or intending to make any offer within the EEA or in the UK of Notes which are the subject of any offering contemplated in this Offering Memorandum should only do so in circumstances in which no obligation arises for OCBC Bank, or any of the Dealers to produce a prospectus for such offers.

## **MIFID II PRODUCT GOVERNANCE/TARGET MARKET**

The Pricing Supplement in respect of any Notes may include a legend entitled “MiFID II Product Governance” which will outline the target market assessment in respect of the Notes and which channels for distribution of the Notes are appropriate. Any person subsequently offering, selling or recommending the Notes (a “**distributor**”) should take into consideration the target market assessment; however, a distributor subject to Directive 2014/65/EU (as amended, “**MiFID II**”) is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the target market assessment) and determining appropriate distribution channels.

A determination will be made in relation to each issue about whether, for the purpose of the MiFID Product Governance rules under EU Delegated Directive 2017/593 (the “**MiFID Product Governance Rules**”), any Dealer subscribing for any Notes is a manufacturer in respect of such Notes, but otherwise neither the Arrangers nor the Dealers nor any of their respective affiliates will be a manufacturer for the purpose of the MiFID Product Governance Rules.

## PRIIPS REGULATION – PROHIBITION OF SALES TO EEA AND UK RETAIL INVESTORS

The Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the EEA or in the UK. For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of MiFID II; or (ii) a customer within the meaning of Directive (EU) 2016/97 (the “**Insurance Distribution Directive**”), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II. Consequently, no key information document required by Regulation (EU) No 1286/2014 (as amended, the “**PRIIPs Regulation**”) for offering or selling the Notes or otherwise making them available to retail investors in the EEA or in the UK has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the EEA or in the UK may be unlawful under the PRIIPs Regulation.

## SINGAPORE SFA PRODUCT CLASSIFICATION

In connection with Section 309B of the Securities and Futures Act (Chapter 289) of Singapore, as modified or amended from time to time (the “**SFA**”) and the Securities and Futures (Capital Markets Products) Regulations 2018 of Singapore (the “**CMP Regulations 2018**”), unless otherwise specified before an offer of Notes, the Issuer has determined, and hereby notifies all relevant persons (as defined in Section 309A(1) of the SFA), that the Notes are ‘prescribed capital markets products’ (as defined in the CMP Regulations 2018) and Excluded Investment Products (as defined in MAS Notice SFA 04-N12: Notice on the Sale of Investment Products and MAS Notice FAA-N16: Notice on Recommendations on Investment Products).

## CERTAIN DEFINITIONS, CONVENTIONS AND PRESENTATION OF FINANCIAL AND OTHER INFORMATION

In this Offering Memorandum, references to “**we**”, “**our**” and “**us**” mean, as the context requires, Oversea-Chinese Banking Corporation Limited on an unconsolidated basis or Oversea-Chinese Banking Corporation Limited and its subsidiaries on a consolidated basis. References to “**OCBC Bank**” or “**the Issuer**” are to Oversea-Chinese Banking Corporation Limited on an unconsolidated basis and references to “**OCBC Group**”, “**the Group**” or “**our Group**” are to OCBC Bank and its subsidiaries on a consolidated basis. In this Offering Memorandum, references to “**Note Conditions**” are to the terms and conditions of the Notes other than the Perpetual Capital Securities, “**Perpetual Capital Securities Conditions**” are to the terms and conditions of the Perpetual Capital Securities and “**Conditions**” are to the Note Conditions and the Perpetual Capital Securities Conditions together.

Rounding adjustments have been made in calculating some of the financial and operating information included in this Offering Memorandum. As a result, numerical figures shown as total amounts in some tables may not be exact arithmetic aggregations of the figures that make up such total amounts.

Unless otherwise specified or required by the context: references to “**days**” are to calendar days; references to “**years**” are to calendar years; references to “**China**” are to the People’s Republic of China and to “**Greater China**” are to China, Hong Kong SAR, Macau SAR and Taiwan; references to “**Singapore dollars**” or “**S\$**” are to the lawful currency of Singapore; references to “**Malaysian Ringgit**” or “**MYR**” are to the lawful currency of Malaysia; references to “**U.S.\$**” or “**U.S. dollars**” are to the lawful currency of the United States; references to “**£**” are to the lawful currency of the United Kingdom; references to “**€**” are to the lawful currency of the member states of the European Union that have adopted and retained a common single currency; references to “**Indonesian Rupiah**” or “**IDR**” are to the lawful currency of the Republic of Indonesia; references to “**Renminbi**” or “**RMB**” are to the lawful currency of the People’s Republic of China; all

references to “**HK\$**” or “**Hong Kong dollars**” are to the lawful currency of Hong Kong SAR and references to “**AUD**” and “**A\$**” are to the lawful currency of Australia. For convenience, certain Singapore dollar amounts relating to the financial year ended December 31, 2019 have been translated into U.S. dollars based on OCBC Bank’s closing exchange rate of S\$1.3470 to U.S.\$1.00 on December 31, 2019, and certain Singapore dollar amounts relating to the six months ended June 30, 2020 have been translated into U.S. dollars based on OCBC Bank’s closing exchange rate of S\$1.3956 to U.S.\$1.00 on June 30, 2020. Such translations should not be construed as representations that the Singapore dollar or U.S. dollar amounts referred to herein could have been, or could be, converted into U.S. dollars or Singapore dollars, as the case may be, at that or any other rate or at all. The rate published by the Monetary Authority of Singapore (the “**MAS**”) on August 28, 2020 was S\$1.3641 = U.S.\$1.00.

In this Offering Memorandum, all of our financial information is presented on a consolidated basis, unless we state otherwise. This Offering Memorandum incorporates by reference our audited consolidated financial statements as of and for the years ended December 31, 2017, 2018 and 2019. Our unaudited interim consolidated financial statements as of and for the six months ended June 30, 2020 are set forth on pages F-2 to F-29 of this Offering Memorandum.

In this Offering Memorandum,

- (a) references to “Loans to customers” are to “Loans and bills receivable” in the financial statements as of and for the years ended December 31, 2017, 2018 and 2019;
- (b) references to “Net change in life insurance fund contract liabilities” refer to “Change in life insurance fund contract liabilities” in the financial statements as of and for the years ended December 31, 2017, 2018 and 2019 and the six months ended June 30, 2019;
- (c) references to “Global Wholesale Banking” are to “Global Corporate/Investment Banking” in the financial statements as of and for the years ended December 31, 2017, 2018 and 2019 and the six months ended June 30, 2019; and
- (d) references to “Profit attributable to equity holders” refer to “Profit attributable to equity holders of OCBC Bank” in the financial statements as of and for the years ended December 31, 2017, 2018 and 2019 and the six months ended June 30, 2019 and 2020.

For the purpose of financial reporting of business segment results, our businesses are presented under six main segments representing the key customer and product groups: Global Consumer/Private Banking, Global Wholesale Banking, Global Treasury and Markets, OCBC Wing Hang, Insurance and Others. The Global Consumer/Private Banking segment covers consumer banking, private banking and retail brokerage services, and Global Wholesale Banking encompasses corporate banking, corporate finance and capital market solutions. The Global Treasury and Markets segment reflects the management of the Group’s asset and liability positions as well as trading activities, with income from products and services offered to customers reflected in the respective business segments. The OCBC Wing Hang segment provides a comprehensive range of commercial banking and related financial services such as consumer financing, share brokerage and insurance. The Insurance segment covers the Group’s insurance business and includes its fund management activities. The “Others” segment comprises mainly property holding, investment holding and items not attributable to the other five business segments. Where there are material changes in the organizational structure and management reporting methodologies, segment information for prior periods is restated to allow comparability.

Our financial statements are prepared in accordance with Singapore Financial Reporting Standards (International) (“**SFRS(I)**”). The SFRS(I) differs in certain respects from generally accepted accounting principles in the United States (“**U.S. GAAP**”), and in other countries and from International Financial Reporting Standards (“**IFRS**”). You should consult your own professional advisors for an understanding of the differences between SFRS(I) and U.S. GAAP, IFRS and the generally accepted accounting principles (“**GAAP**”) of other jurisdictions and how those differences might affect the financial information contained in this Offering Memorandum. We do not expect to publish financial statements in accordance with U.S. GAAP or IFRS.

In this Offering Memorandum, we have adopted non-generally accepted accounting principles (“**non-GAAP**”) measures such as adjusted average total assets, adjusted return on assets, adjusted average ordinary shareholders’ equity and adjusted return on ordinary shareholders’ equity, which are non-GAAP measures. Adjusted average total assets is defined as average total assets excluding life insurance fund investment assets. While adjusted average total assets and adjusted return on assets are not SFRS(I)/GAAP measures, we believe that disclosing adjusted return on assets, which is calculated by dividing profit attributable to equity holders of OCBC Bank by adjusted average total assets, allows the reader to better understand OCBC Bank’s banking operations and compare these with those of similar banks. Adjusted average ordinary shareholders’ equity is defined as average shareholders’ equity excluding preference shares and other equity instruments. While adjusted average ordinary shareholders’ equity and adjusted return on ordinary shareholders’ equity are not SFRS(I)/GAAP measures, we believe that disclosing adjusted return on ordinary shareholders’ equity, which is calculated by dividing profit attributable to equity holders of OCBC Bank less preference share dividends and distributions on other equity instruments by adjusted average ordinary shareholders’ equity, better represents the return attributable to ordinary shareholders of OCBC Bank. We believe that these adjusted metrics allow the reader to better understand OCBC Bank’s performances. The data, however, should not be considered in isolation or as a substitute for measures of performance prepared in accordance with SFRS(I). These non-GAAP measures should be read in conjunction with the “Management’s Discussion and Analysis of Financial Condition and Results of Operations” and with the consolidated financial statements included elsewhere in this Offering Memorandum.

In order to facilitate the offering of any Tranche of Notes, one or more Dealers named as stabilization manager(s) (the “**Stabilization Manager(s)**”) (or persons acting on behalf of any Stabilization Manager(s)) in the applicable Pricing Supplement, to the extent permitted by applicable laws and regulations, may engage in transactions that stabilize, maintain or otherwise affect the market price of the relevant Notes during and after the offering of the Tranche, including stabilizing or maintaining the market price of the Notes at a level above that which might otherwise prevail. No representation is made as to whether such stabilization activities will take place at all or the magnitude or effect of any such stabilizing or other transactions. Any stabilization action may begin on or after the date on which adequate public disclosure of the terms of the offer of the relevant Tranche of Notes is made and, if begun, may be ended at any time, but it must end no later than the earlier of 30 days after the issue date of the relevant Tranche of Notes and 60 days after the date of the allotment of the relevant Tranche of Notes. Any such stabilization action may only be conducted outside Australia and on a market operated outside Australia.

#### **DOCUMENTS INCORPORATED BY REFERENCE**

This Offering Memorandum should be read and construed in conjunction with any supplemental Offering Memorandum thereto, each applicable Pricing Supplement and all other documents which are deemed to be incorporated by reference into the relevant Offering Memorandum and in the applicable Pricing Supplement. The relevant supplemental Offering Memorandum and the applicable Pricing Supplement shall, save as specified herein and therein, be read and construed on the basis that such documents are so incorporated by reference and form part of the relevant supplemental Offering Memorandum and the applicable Pricing Supplement.

This Offering Memorandum should also be read and construed in conjunction with (i) our audited consolidated financial statements as of and for each of the three years ended December 31, 2017, 2018 and 2019 which have been previously published and filed with the Accounting and Corporate Regulatory Authority of Singapore, (ii) our most recently published audited consolidated annual financial statements which are filed with SGXNET subsequently to the date of this Offering Memorandum and (iii) any of the consolidated interim financial statements (whether audited or unaudited) published subsequently to such annual financial statements, each of which shall be deemed to be incorporated in, and to form part of, this Offering Memorandum and which shall be deemed to modify or supersede the contents of this Offering Memorandum to the extent that a statement contained in any such document is inconsistent with such contents. Our unaudited interim consolidated financial statements as of and for the six months ended June 30, 2020 are set forth on pages F-2 to F-29 of this Offering Memorandum.

Any statement contained in a document incorporated by reference into this Offering Memorandum shall be deemed to be modified or superseded to the extent that a statement contained in any subsequent document which also is incorporated by reference into this Offering Memorandum modifies or supersedes such statement (whether expressly, by implication or otherwise). Any statement so modified or superseded shall not be deemed, except as so modified or superseded, to constitute a part of this Offering Memorandum.

Copies of documents deemed to be incorporated by reference into this Offering Memorandum, including OCBC Bank's latest consolidated audited financial statements, may be obtained at our registered office, such other place as may also be set out in the terms and conditions of any Notes, our website (<http://www.ocbc.com>) or the website of the SGX-ST (<http://www.sgx.com>). Website addresses in this Offering Memorandum are included for reference only and the contents of any such websites are not incorporated by reference into, and do not form part of, this Offering Memorandum.

#### **AVAILABLE INFORMATION**

For so long as any of the Notes are "restricted securities" within the meaning of Rule 144(a)(3) under the Securities Act, we will, during any period in which we are neither subject to Section 13 or 15(d) under the U.S. Securities Exchange Act of 1934 (the "**Exchange Act**"), nor exempt from reporting pursuant to Rule 12g3-2(b) thereunder, provide to any QIB who is a holder or beneficial owner of such restricted securities, or to any prospective purchaser of restricted securities who is a QIB, designated by such holder or beneficial owner, upon the request of such holder, beneficial owner or prospective purchaser, the information specified in Rule 144A(d)(4) under the Securities Act.

#### **INFORMATION ON WEBSITES**

As a company whose shares are quoted on the SGX-ST, we are required to make continuing disclosures under the relevant listing rules of the SGX-ST. These may be viewed at <http://www.sgx.com>. Further information on OCBC Bank may be found at <http://www.ocbc.com>. Access to such websites is subject to the terms and conditions governing the same.

The above websites and any other websites referenced in this Offering Memorandum are intended as guides as to where other public information relating to the Issuer may be obtained. Information appearing in such websites does not form part of this Offering Memorandum or the applicable Pricing Supplement and none of the Issuer, the Arrangers and the Dealers accept any responsibility whatsoever that any information, if available, is accurate and/or up-to-date. Such information, if available, should not form the basis of any investment decision by an investor to purchase or deal in any Notes.



## **ENFORCEABILITY OF JUDGMENTS**

We are a company with limited liability incorporated under the laws of Singapore. Most or all of our directors, executive officers and corporate auditors are non-residents of the United States and all or a substantial portion of our assets and the assets of these non-resident persons are located outside the United States. As a result, it may not be possible for you to effect service of process within the United States upon us or such non-resident persons, or to enforce against any of us judgments obtained in United States courts predicated upon the civil liability provisions of the United States federal or state securities laws. We have been advised by Allen & Gledhill LLP, our Singapore counsel, that judgments of United States courts based upon the civil liability provisions of United States federal or state securities laws are not enforceable in Singapore courts and that there is doubt as to whether Singapore courts will enter judgments in original actions brought in Singapore courts of civil liabilities predicated solely upon the United States federal or state securities laws.

## **FORWARD-LOOKING STATEMENTS**

This Offering Memorandum contains forward-looking statements regarding our intent, belief or current expectations of our management with respect to the future results of our operations and financial condition and the OCBC Group, including without limitation future loan loss provisions and financial support to borrowers. In many cases but not all, the words “anticipate”, “believe”, “estimate”, “expect”, “intend”, “may”, “would”, “could”, “plan”, “probability”, “project”, “risk”, “seek”, “should”, “future”, “target” and similar expressions, as they relate to us or our management, are intended to identify forward-looking statements. You can also identify forward-looking statements by discussions of strategy, plans or intentions. Forward-looking statements reflect our current views with respect to future events and are subject to risks, uncertainties and assumptions, including the risk factors described in this Offering Memorandum. Should one or more of these risks or uncertainties materialize, or should underlying assumptions prove incorrect, actual results may vary materially from those described here as anticipated, believed, estimated, expected or intended.

Forward-looking statements are not guarantees of future performance and involve risks and uncertainties, and actual results may differ from those in the forward-looking statements as a result of various factors and the differences may be material. Potential risks and uncertainties include, without limitation, the following:

- the impact of COVID-19;
- the health of the economies of Singapore, Malaysia, Indonesia and Greater China;
- our ability to successfully implement our strategy;
- our growth and expansion in domestic and overseas markets;
- the actual growth in demand for banking and other financial products and services in the countries in which we operate, including Singapore, Malaysia, Indonesia and Greater China;
- changes in political, social, legal or economic conditions in the markets in which we and our customers operate in;
- insufficient liquidity;
- the state of the global financial system and systemic risk arising from problems of other financial institutions;

- the constraints on our operations due to capital adequacy requirements;
- the evolving capital adequacy requirements;
- our future levels of non-performing and restructured loans;
- the adequacy of our allowance for credit losses;
- the incurrence of significant credit-related costs;
- changes in credit spreads, interest rates and exchange rates;
- our ability to roll over our short-term funding sources and our exposure to credit, market and liquidity risks;
- our exposure to new risks as we expand the scope of our business;
- the success of our business alliances;
- the declines in the value of our securities portfolio;
- revisions to actuarial assumptions;
- our ability to maintain an effective system of internal controls;
- our failure to hire and retain qualified employees;
- regulatory sanctions;
- the impact of changes in banking laws and regulations and other regulatory changes in jurisdictions affecting our business; and
- our ability to maintain competitiveness.

Given these and other risks and uncertainties, you should not place undue reliance on forward-looking statements, which speak only as of the date of this Offering Memorandum. We disclaim any obligation to update or to announce publicly any revision to any of the forward-looking statements contained in this Offering Memorandum to reflect any actual events or developments. The information contained in this Offering Memorandum, including without limitation the information under “Risk Factors”, identifies important factors in addition to those referred to above that could cause differences.

## TABLE OF CONTENTS

	<b>Page</b>
SUMMARY OF THE PROGRAM .....	1
SUMMARY FINANCIAL AND OTHER INFORMATION .....	15
RISK FACTORS .....	18
EXCHANGE RATES .....	58
TERMS AND CONDITIONS OF THE NOTES OTHER THAN THE PERPETUAL CAPITAL SECURITIES .....	59
TERMS AND CONDITIONS OF THE PERPETUAL CAPITAL SECURITIES .....	147
SUMMARY OF PROVISIONS RELATING TO THE NOTES WHILE IN GLOBAL FORM ..	223
USE OF PROCEEDS .....	232
BUSINESS .....	233
DESCRIPTION OF OCBC BANK'S SYDNEY BRANCH .....	288
CAPITALIZATION .....	289
MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS .....	290
MANAGEMENT .....	322
PRINCIPAL SHAREHOLDERS .....	338
SUBSIDIARIES, AFFILIATES AND ASSOCIATED COMPANIES .....	340
SUPERVISION AND REGULATION .....	341
UNITED STATES BENEFIT PLAN INVESTOR CONSIDERATIONS .....	371
TAXATION .....	372
PLAN OF DISTRIBUTION .....	395
FORM OF PRICING SUPPLEMENT RELATING TO NOTES OTHER THAN PERPETUAL CAPITAL SECURITIES .....	405
FORM OF PRICING SUPPLEMENT RELATING TO PERPETUAL CAPITAL SECURITIES .....	420
CLEARING AND SETTLEMENT .....	429
TRANSFER RESTRICTIONS .....	438
LEGAL MATTERS .....	442
INDEPENDENT AUDITORS .....	443
GENERAL INFORMATION .....	444
INDEX TO FINANCIAL INFORMATION .....	F-1

## SUMMARY OF THE PROGRAM

The following summary does not purport to be complete and is taken from, and is qualified in its entirety by, the remainder of this Offering Memorandum and, in relation to the terms and conditions of any particular Tranche or Series of Notes and the applicable Pricing Supplement. Words and expressions defined in the “Terms and Conditions of the Notes other than the Perpetual Capital Securities” (the “**Note Conditions**”) and “Terms and Conditions of the Perpetual Capital Securities” (the “**Perpetual Capital Securities Conditions**”) and, together with the Note Conditions, the “**Conditions**”) shall have the same meanings in this summary.

<b>Issuers of Senior Notes</b>	Oversea-Chinese Banking Corporation Limited or any of its branches outside Singapore, including but not limited to its Sydney branch, or any Specified Issuer.
<b>Issuer of Subordinated Notes</b>	Oversea-Chinese Banking Corporation Limited.
<b>Issuer of Perpetual Capital Securities</b>	Oversea-Chinese Banking Corporation Limited.
<b>Description</b>	Global Medium Term Note Program.
<b>Size</b>	Up to U.S.\$30,000,000,000 (or the equivalent in other currencies at the date of issue) in aggregate nominal amount of Notes outstanding at any one time.
<b>Arrangers</b>	Merrill Lynch (Singapore) Pte. Ltd., J.P. Morgan (S.E.A.) Limited and Oversea-Chinese Banking Corporation Limited (other than in connection with Notes offered or sold in reliance on Rule 144A)
<b>Dealers</b>	Merrill Lynch (Singapore) Pte. Ltd., J.P. Morgan (S.E.A.) Limited and Oversea-Chinese Banking Corporation Limited (other than in connection with Notes offered or sold in reliance on Rule 144A). The Issuer may from time to time terminate the appointment of any dealer under the Program or appoint additional dealers either in respect of one or more Tranches or in respect of the Program. References in this Offering Memorandum to “ <b>Permanent Dealers</b> ” are to the persons listed above as Dealers and to such additional persons that are appointed as dealers in respect of the Program (and whose appointment has not been terminated) and to “ <b>Dealers</b> ” are to all Permanent Dealers and all persons appointed as a dealer in respect of one or more Tranches.
<b>Trustee</b>	The Bank of New York Mellon, London Branch (in respect of Notes other than AMTNs).

<b>Issuing and Paying Agent</b>	The Bank of New York Mellon, London Branch (in respect of Notes other than AMTNs and Notes cleared through the CMU, CDP and DTC) and BTA Institutional Services Australia Limited (ABN 48 002 916 396) (in respect of AMTNs).
<b>Exchange Agent</b>	The Bank of New York Mellon.
<b>Calculation Agent</b>	The Bank of New York Mellon, London Branch (in respect of Notes other than AMTNs) and BTA Institutional Services Australia Limited (ABN 48 002 916 396) (in respect of AMTNs).
<b>CDP Paying Agent</b>	The Bank of New York Mellon, Singapore Branch (in respect of Notes cleared through CDP).
<b>CMU Lodging and Paying Agent</b>	The Bank of New York Mellon, Hong Kong Branch (in respect of Notes cleared through the CMU).
<b>U.S. Paying Agent</b>	The Bank of New York Mellon (in respect of the Notes cleared through DTC).
<b>Paying Agent in respect of AMTNs only</b>	BTA Institutional Services Australia Limited (ABN 48 002 916 396).
<b>Registrars</b>	The Bank of New York Mellon SA/NV, Luxembourg Branch (in respect of Notes other than AMTNs and Notes cleared through CMU, CDP and DTC), The Bank of New York Mellon, Hong Kong Branch (in respect of Notes cleared through CMU), The Bank of New York Mellon, Singapore Branch (in respect of Notes cleared through CDP), The Bank of New York Mellon (in respect of Notes cleared through DTC) and BTA Institutional Services Australia Limited (ABN 48 002 916 396) (in respect of AMTNs).
<b>Transfer Agent</b>	The Bank of New York Mellon SA/NV, Luxembourg Branch (in respect of Notes other than AMTNs and Notes cleared through CMU, CDP and DTC). The Bank of New York Mellon, Hong Kong Branch (in respect of Notes cleared through CMU), The Bank of New York Mellon, Singapore Branch (in respect of Notes cleared through CDP) and The Bank of New York Mellon (in respect of Notes cleared through DTC).

**Method of Issue**

The Notes will be issued on a syndicated or non-syndicated basis. The Notes will be issued in series (each a “**Series**”) having one or more issue dates and on terms otherwise identical (or identical other than in respect of the first payment of interest (in respect of the Notes other than the Perpetual Capital Securities) or Distributions (in respect of the Perpetual Capital Securities only), as applicable, and their issue price), to the Notes of each Series being intended to be interchangeable with all other Notes of that Series. Each Series may be issued in tranches (each a “**Tranche**”) on the same or different issue dates. The specific terms of each Tranche (which will be supplemented, where necessary, with supplemental terms and conditions and, save in respect of the issue date, issue price, first payment of interest (in respect of the Notes other than the Perpetual Capital Securities) or Distributions (in respect of the Perpetual Capital Securities only), as applicable, and principal amount of the Tranche will be identical to the terms of other Tranches of the same Series) will be set out in a Pricing Supplement.

**Issue Price**

Notes may be issued at their principal amount or at a discount or premium to their principal amount. Partly Paid Notes may be issued, the issue price of which will be payable in two or more installments.

**Form of Notes**

The Notes may be issued in bearer form (“**Bearer Notes**”) or in registered form (“**Registered Notes**”) only. Registered Notes will not be exchangeable for Bearer Notes and vice versa. Subordinated Notes and Perpetual Capital Securities will only be issued in registered form.

Each Tranche of Notes in bearer form will be represented on issue by a temporary global note in bearer form (each a “**Temporary Global Note**”) or a permanent global note in bearer form (each a “**Permanent Global Note**” and, together with the Temporary Global Notes, the “**Global Notes**”), as specified in the applicable Pricing Supplement. Interests in Temporary Global Notes generally will be exchangeable for interests in Permanent Global Notes, or if so stated in the applicable Pricing Supplement, definitive Notes (“**Definitive Notes**”), after the date falling 40 days after the later of the commencement of the offering and the relevant issue date of such Tranche upon certification as to non-U.S. beneficial ownership. Interests in Permanent Global Notes will be exchangeable for Definitive Notes in whole but not in part as described under “Summary of Provisions Relating to the Notes while in Global Form”.

Registered Notes (other than AMTNs) will be represented by Certificates, one Certificate being issued in respect of each Noteholder's entire holding of Registered Notes of one Series. Certificates representing Registered Notes (other than AMTNs) that are registered in the name of a nominee for one or more clearing systems are referred to as "Global Certificates". Registered Notes sold in an "offshore transaction" within the meaning of Regulation S will initially be represented by an Unrestricted Global Certificate. Registered Notes sold in the United States in reliance on Rule 144A will initially be represented by a Restricted Global Certificate.

AMTNs will be issued only as Registered Notes. AMTNs will be issued in registered certificated form and will take the form of entries on a register established and maintained by a registrar in Australia and may be lodged with the Austraclear System. Each Tranche of AMTNs will be represented by an AMTN Certificate. AMTNs will not be issued as Subordinated Notes or Perpetual Capital Securities.

**Status of Senior Notes**

The Senior Notes will constitute direct, unsubordinated and unsecured obligations of the Issuer as described in "Terms and Conditions of the Notes other than the Perpetual Capital Securities – Status – Status of Senior Notes".

**Status of Subordinated Notes**

The Subordinated Notes will constitute direct, subordinated and unsecured obligations of the Issuer as described in "Terms and Conditions of the Notes other than the Perpetual Capital Securities – Status – Status of Subordinated Notes".

**Subordination of the Subordinated Notes**

Upon the occurrence of any winding-up proceeding (other than pursuant to a Permitted Reorganisation), the rights of the Noteholders to payment of principal of and interest on the Subordinated Notes and any other obligations in respect of the Subordinated Notes are expressly subordinated and subject in right of payment to the prior payment in full of all claims of Senior Creditors and will rank senior to all share capital of the Issuer and Additional Tier 1 Capital Securities and/or as otherwise specified in the applicable Pricing Supplement or in a supplement to this Offering Memorandum. The Subordinated Notes will rank *pari passu* with Tier 2 Capital Securities and/or as specified in the applicable Pricing Supplement or in a supplement to this Offering Memorandum and any instrument or security issued, entered into or guaranteed by the Issuer that ranks or is expressed to rank, by its terms or operation of law, *pari passu* with a Subordinated Note.

**Status of Perpetual Capital Securities**

The Perpetual Capital Securities will constitute direct, subordinated and unsecured obligations of the Issuer as described in “Terms and Conditions of the Perpetual Capital Securities – Status – Status of Perpetual Capital Securities”.

**Subordination of the Perpetual Capital Securities**

Upon the occurrence of any winding-up proceeding, (other than pursuant to a Permitted Reorganisation) the rights of the Securityholders to payment of principal of and Distributions on the Perpetual Capital Securities and any other obligations in respect of the Perpetual Capital Securities are expressly subordinated and subject in right of payment to the prior payment in full of all claims of Senior Creditors and will rank senior to Junior Obligations. The Perpetual Capital Securities will rank *pari passu* with Additional Tier 1 Capital Securities and/or as specified in the applicable Pricing Supplement or in a supplement to this Offering Memorandum and any instrument or security issued, entered into or guaranteed by the Issuer that ranks or is expressed to rank, by its terms or operation of law, *pari passu* with a Perpetual Capital Security.

**Clearing Systems**

CDP (subject to any restrictions or conditions which may be applicable as specified in the applicable Pricing Supplement), Clearstream, Euroclear, DTC, the Austraclear System and/or, in relation to any Tranche, such other clearing system as may be agreed between the Issuer, the relevant Paying Agent, the Trustee and the relevant Dealer.

**Currencies**

Subject to compliance with all relevant laws, regulations and directives, Notes may be issued in any currency agreed between the Issuer and the relevant Dealers. Payments in respect of Notes may, subject to such compliance, be made in and/or linked to any currency or currencies other than the currency in which such Notes are denominated.

**Renminbi Fallback**

If by reason of inconvertibility, non-transferability or illiquidity, the Issuer is not, in its sole and absolute discretion, able to satisfy payments of principal or interest (in respect of the Notes other than the Perpetual Capital Securities) or Distributions (in respect of the Perpetual Capital Securities only), as applicable, when due in Renminbi, the Issuer may settle such payment in U.S. Dollars (in the case of CMU Notes) or in Singapore dollars (in the case of CDP Notes).



## **Maturities**

Subject to compliance with all relevant laws, regulations and directives, Senior Notes may have any maturity as may be agreed between the Issuer and the relevant Dealer(s) and Subordinated Notes that qualify as Tier 2 Capital Securities of the Issuer will have a minimum maturity of five years. Perpetual Capital Securities have no maturity date.

## **Denomination**

Definitive Notes will be in denominations as may be specified in the applicable Pricing Supplement, save that unless otherwise permitted by then current laws and regulations, Notes (including Notes denominated in sterling) which have a maturity of less than one year and in respect of which the issue proceeds are to be accepted by the Issuer or the Specified Issuer in the United Kingdom or whose issue otherwise constitutes a contravention of Section 19 of the FSMA will have a minimum denomination of £100,000 (or its equivalent in other currencies). In the case of any Notes which are to be sold in the United States in reliance on Rule 144A, the minimum Specified Denomination shall be U.S.\$200,000 (or its equivalent in any other currencies as of the date of the relevant Notes) and integral multiples of U.S.\$1,000 (or its equivalent in any other currencies) in excess thereof. In the case of any Notes which are to be admitted to trading on a regulated market within the European Economic Area or in the United Kingdom or offered to the public in a Member State of the European Economic Area or in the United Kingdom in circumstances which require the publication of a Prospectus under the Prospectus Regulation, the minimum Specified Denomination shall be €100,000 (or its equivalent in any other currency as at the date of issue of the relevant Notes).

Notes issued in, or into, Australia may be issued in such denominations as may be agreed save that:

- (i) the aggregate consideration payable to the Issuer by each offeree is at least A\$500,000 (or the equivalent in another currency and disregarding moneys lent by the Issuer or its associates to the purchaser) or the issue results from an offer or invitation of those Notes which otherwise does not require disclosure to investors under Part 6D.2 or Chapter 7 of the Corporations Act 2001 of the Commonwealth of Australia (the “**Australian Corporations Act**”);
- (ii) the issue is not to a “retail client” for the purposes of Section 761G of the Australian Corporations Act;
- (iii) the issue complies with all other applicable laws; and
- (iv) does not require any document to be lodged with the Australian Securities and Investments Commission or ASX Limited.

**Fixed Rate Notes and Perpetual Capital Securities**

Fixed interest (in respect of the Notes other than the Perpetual Capital Securities) or Distributions (in respect of the Perpetual Capital Securities only), as applicable, will be payable in arrear on the date or dates in each year specified in the applicable Pricing Supplement.

**Floating Rate Notes and Perpetual Capital Securities**

Floating Rate Notes will bear interest and Perpetual Capital Securities will confer the right to receive Distributions determined separately for each Series as follows:

- (i) on the same basis as the floating rate under a notional interest rate swap transaction in the relevant Specified Currency governed by an agreement incorporating the 2006 ISDA Definitions, as published by the International Swaps and Derivatives Association, Inc.; or
- (ii) by reference to LIBOR, EURIBOR, HIBOR or Compounded Daily SONIA (or such other benchmark as may be specified in the applicable Pricing Supplement) as adjusted for any applicable margin; or
- (iii) by reference to SIBOR, SOR or Compounded Daily SORA (or such other benchmark as may be specified in the applicable Pricing Supplement for Notes or, as the case may be, Perpetual Capital Securities denominated in Singapore dollars) as adjusted for any applicable margin.

Interest periods (in respect of Notes other than the Perpetual Capital Securities) or Distribution Periods (in respect of the Perpetual Capital Securities only) will be specified in the applicable Pricing Supplement.

**Zero Coupon Notes**

Zero Coupon Notes may be issued at their nominal amount or at a discount to it and will not bear interest. Zero Coupon Notes will not be issued as Perpetual Capital Securities.

**Change of Interest Basis or Distribution Basis**

Notes or, as the case may be, Perpetual Capital Securities may be converted from one interest basis (in respect of the Notes other than the Perpetual Capital Securities) or one Distributions basis (in respect of the Perpetual Capital Securities only), as applicable, to another in the manner specified in the relevant Pricing Supplement.

**Index Linked Notes**

Payments of principal in respect of Index Linked Redemption Notes or interest in respect of Index Linked Interest Notes will be calculated by reference to such index and/or formula as may be specified in the applicable Pricing Supplement. Index Linked Notes will not be issued as Perpetual Capital Securities.

**Equity Linked Notes**

Payments of principal in respect of Equity Linked Redemption Notes and interest in respect of Equity Linked Interest Notes will be calculated by reference to such shares and/or formula as may be specified in the applicable Pricing Supplement. Zero Coupon Notes will not be issued as Perpetual Capital Securities.

**Credit Linked Notes**

Terms applicable to Credit Linked Notes, including the applicable settlement terms upon the default of a reference entity or obligation, will appear in the applicable Pricing Supplement. Equity Linked Notes will not be issued as Perpetual Capital Securities.

**Bond Linked Notes**

Payments of principal and/or interest in respect of Bond Linked Notes will be calculated by reference to such bonds and/or formula as may be specified in the applicable Pricing Supplement. Bond Linked Notes will not be issued as Perpetual Capital Securities.

**Dual Currency Notes**

Payments (whether in respect of principal or interest and whether at maturity or otherwise) in respect of Dual Currency Notes will be based on such rates of exchange as may be specified in the applicable Pricing Supplement. Dual Currency Notes will not be issued as Perpetual Capital Securities.

**Interest Periods, Interest Rates, Distribution Periods and Distribution Rates**

The length of the interest periods (in respect of Notes other than the Perpetual Capital Securities), Distribution Periods (in respect of the Perpetual Capital Securities only) and the applicable interest rate (in respect of Notes other than the Perpetual Capital Securities), Distribution rates (in respect of the Perpetual Capital Securities only), or their methods of calculation may differ from time to time or be constant for any Series. Notes may have a maximum interest rate (in respect of Notes other than the Perpetual Capital Securities) or maximum Distribution rate (in respect of the Perpetual Capital Securities only), a minimum interest rate (in respect of Notes other than the Perpetual Capital Securities) or minimum Distribution rate (in respect of the Perpetual Capital Securities only), or both. The use of interest accrual periods permits the Notes (other than Perpetual Capital Securities) to bear interest at different rates in the same interest period. The use of Distribution accrual periods permits the Perpetual Capital Securities to confer the right to receive Distributions at different rates in the same Distribution period. All such information will be set out in the applicable Pricing Supplement.

**Redemption of the Notes  
(other than the Perpetual  
Capital Securities)**

The Pricing Supplement issued in respect of each issue of Senior Notes will indicate either that the Senior Notes cannot be redeemed prior to their stated maturity (other than in specified installments, if applicable, or for taxation reasons or following an Event of Default) or that such Senior Notes will be redeemable (in whole or in part) at the option of the Issuer and/or the Noteholders (upon giving notice to the Noteholders), on a date or dates specified prior to such stated maturity and at a price or prices and on such terms as are indicated in the applicable Pricing Supplement.

The Pricing Supplement issued in respect of each issue of Subordinated Notes will indicate either:

- (i) that such Subordinated Notes will be redeemable prior to their stated maturity (in whole, with the prior approval of the MAS) at the option of the Issuer for taxation reasons; or
- (ii) that such Subordinated Notes will be redeemable (in whole, with the prior approval of the MAS) following a Change of Qualification Event (as defined below) on a date or dates specified prior to such stated maturity and at a price or prices and on such terms as are indicated in the applicable Pricing Supplement; or
- (iii) that such Subordinated Notes will be redeemable (in whole, with the prior approval of the MAS) at the option of the Issuer; or
- (iv) that such Subordinated Notes will be redeemable (in whole, with the prior approval of the MAS) on such other terms as may be indicated in the applicable Pricing Supplement.

The applicable Pricing Supplement will specify the basis for calculating the redemption amounts payable.

**Redemption of the Perpetual  
Capital Securities**

The applicable Pricing Supplement issued in respect of each issue of Perpetual Capital Securities will indicate that the Perpetual Capital Securities cannot be redeemed other than, with the prior approval of the MAS, at the option of the Issuer: (i) for taxation reasons; or (ii) following a Change of Qualification Event; or (iii) on such other terms, as may be indicated in the applicable Pricing Supplement.

The applicable Pricing Supplement will specify the basis for calculating the redemption amounts payable.

**Redemption by Installments**

The Pricing Supplement issued in respect of each issue of Notes that are redeemable in two or more installments will set out the dates on which, and the amounts in which, such Notes may be redeemed.

**Variation instead of Redemption of the Subordinated Notes and the Perpetual Capital Securities**

The Issuer may, subject to the approval of the MAS, vary the terms of the Subordinated Notes or the Perpetual Capital Securities, as applicable, so they remain or become Qualifying Securities (as defined in the relevant Conditions) as provided in Note Condition 5(h) (in respect of the Notes other than the Perpetual Capital Securities) or Perpetual Capital Securities Condition 6(f) (in respect of the Perpetual Capital Securities only), as applicable.

**Loss Absorption upon a Trigger Event in respect of the Subordinated Notes or the Perpetual Capital Securities**

The applicable Pricing Supplement will specify whether “Write-off” or “Conversion” applies as the relevant Loss Absorption Option to the Subordinated Notes or the Perpetual Capital Securities, as applicable, upon the occurrence of a Trigger Event. If “Write-off” is specified, the provisions of Note Conditions 6(b) and 6(c) (in respect of the Notes other than the Perpetual Capital Securities) or Perpetual Capital Securities Conditions 7(b) and 7(c) (in respect of the Perpetual Capital Securities only) shall apply. If “Conversion” is specified, the terms applicable thereto will be specified in the applicable Pricing Supplement.

**Contractual Recognition of Bail-In regime in respect of Subordinated Notes and Perpetual Capital Securities**

The Trustee (on behalf of the holders of Subordinated Notes or the holders of Perpetual Capital Securities, as applicable) and each holder of a Subordinated Note or a Perpetual Capital Security shall be subject, and shall be deemed to agree, to be bound by and acknowledge that the Subordinated Notes or the Perpetual Capital Securities, as the case may be, and each holder may be subject to cancellation, modification, conversion, change in form, or have the effect as if a right of modification, conversion, or change of form had been exercised by the MAS in the exercise of the MAS’ powers under Division 4A of Part IVB of the MAS Act without prior notice. The Trustee (on behalf of the holders of Subordinated Notes or the holders of the Perpetual Capital Securities, as applicable) and each holder of a Subordinated Note or a Perpetual Capital Security shall be subject, and shall be deemed to agree, to be bound by and acknowledge that they are each subject to, having the Subordinated Notes or a Perpetual Capital Security, being the subject of the exercise of the MAS’ powers under Division 4A of Part IVB of the MAS Act. The Trustee (on behalf of the holders of Subordinated Notes or the holders of the Perpetual Capital Securities, as applicable) and each holder of a Subordinated Note or a Perpetual Capital Security shall be deemed to agree to be bound by the terms of a Bail-in Certificate (as defined in Note Condition 6(d) or Perpetual Capital Securities Condition 7(d), as applicable).

<b>Negative Pledge</b>	None.
<b>Cross Default</b>	None.
<b>Events of Default in respect of the Senior Notes</b>	Events of Default for the Senior Notes are set out in Note Condition 10(a).
<b>Default and Enforcement in respect of the Subordinated Notes</b>	<p>If a Default in respect of the payment of principal of or interest on the Subordinated Notes occurs and is continuing, the sole remedy available to the Trustee shall be the right to institute proceedings in Singapore (but not elsewhere) for the winding-up of the Issuer. If the Issuer shall default in the performance of any obligation contained in the Trust Deed or the Subordinated Notes other than a Default specified in the Note Conditions, the Trustee and the Noteholders shall be entitled to every right and remedy given under the Note Conditions and the Trust Deed or existing at law or in equity or otherwise, provided, however, that the Trustee shall have no right to enforce payment under or accelerate payment of any Subordinated Note except as provided in the Note Conditions and the Trust Deed.</p> <p>If any court awards money damages or other restitution for any default with respect to the performance by the Issuer of its obligations contained in the Trust Deed, the relevant Subordinated Notes, the payment of such money damages or other restitution shall be subject to the subordination provisions set out in the Note Conditions and the Trust Deed.</p>
<b>Default and Enforcement in respect of the Perpetual Capital Securities</b>	<p>If a Default in respect of the payment of principal of or Distribution on the Perpetual Capital Securities occurs and is continuing, the sole remedy available to the Trustee shall be the right to institute proceedings in Singapore (but not elsewhere) for the winding-up of the Issuer. If the Issuer shall default in the performance of any obligation contained in the Trust Deed, the relevant Perpetual Capital Securities other than a Default specified in the Perpetual Capital Securities Conditions, the Trustee and the Securityholders shall be entitled to every right and remedy given under the Perpetual Capital Securities Conditions or now or hereafter existing at law or in equity or otherwise, provided, however, that the Trustee shall have no right to enforce payment under or accelerate payment of any Perpetual Capital Security except as provided in the Perpetual Capital Securities Conditions and the Trust Deed.</p>

If any court awards money damages or other restitution for any default with respect to the performance by the Issuer of its obligations contained in the Trust Deed, the relevant Perpetual Capital Securities, the payment of such money damages or other restitution shall be subject to the subordination provisions set out in the Perpetual Capital Securities Conditions and the Trust Deed.

**Rating**

Each Tranche of Notes issued under the Program may be rated or unrated. When a Tranche of Notes is rated, its rating will not necessarily be the same as the rating applicable to the Program. A rating is not a recommendation to buy, sell or hold securities and may be subject to suspension, revision, downgrade or withdrawal at any time by the assigning rating agency.

**Withholding Tax**

All payments of principal and interest (in respect of the Notes other than the Perpetual Capital Securities) or Distributions (in respect of the Perpetual Capital Securities only), as applicable, by or on behalf of the Issuer in respect of the Notes, the Receipts and the Coupons shall be made free and clear of, and without withholding or deduction for, any taxes, duties, assessments or governmental charges of whatever nature imposed, levied, collected, withheld or assessed by or within a Relevant Taxing Jurisdiction or any authority therein or thereof having power to tax, unless such withholding or deduction is required by law. In that event, the Issuer shall pay such additional amounts as shall result in receipt by the Noteholders, Receiptholders, Couponholders or, as the case may be, Securityholders of such amount as would have been received by them had no such withholding or deduction been required, subject to certain exceptions.

**Governing Law**

The Pricing Supplement issued in respect of each issue of Notes will state whether such Notes will be governed by (i) English law, except for the provisions of the Subordinated Notes and the Perpetual Capital Securities in relation to subordination, set-off and payment void, default and enforcement, which shall be governed by, and construed in accordance with, the laws of Singapore, (ii) the laws of New South Wales, Australia (in respect of AMTNs), or (iii) the laws of Singapore.

**Listing**

Application has been made for Notes issued under the Program which are agreed at the time of issue to be so listed, to be listed on the SGX-ST. For so long as any Notes are listed on the SGX-ST and the rules of the SGX-ST so require, such Notes will be traded on the SGX-ST in a minimum board lot size of S\$200,000 (or its equivalent in other currencies) or such other amount as may be allowed or required from time to time. The Notes may also be listed on such other or further stock exchange(s) as may be agreed in relation to each Series.

Unlisted Notes may also be issued.

**Selling Restrictions**

United States, United Kingdom, European Economic Area, Singapore, Japan, Hong Kong SAR and Australia. See “Plan of Distribution”.

Notes in bearer form will be issued in compliance with U.S. Treas. Reg. §1.163-5(c)(2)(i)(D) (or any successor rules in substantially the same form that are applicable for purposes of Section 4701 of the U.S. Internal Revenue Code of 1986, as amended (the “**Code**”)) (“**TEFRA D**”) unless (i) the applicable Pricing Supplement states that Notes are issued in compliance with U.S. Treas. Reg. §1.163-5(c)(2)(i)(C) (or any successor rules in substantially the same form that are applicable for purposes of Section 4701 of the Code) (“**TEFRA C**”) or (ii) the Notes are issued other than in compliance with the TEFRA D or the TEFRA C but in circumstances in which the Notes will not constitute “registration required obligations” under the United States Tax Equity and Fiscal Responsibility Act of 1982 (“**TEFRA**”), which circumstances will be referred to in the applicable Pricing Supplement as a transaction to which TEFRA is not applicable.

**Transfer Restrictions**

There are restrictions on the transfer of Notes sold pursuant to Regulation S prior to the expiration of the relevant Distribution Compliance Period (as defined in “Plan of Distribution”) and on the transfer of Registered Notes sold pursuant to Rule 144A. See “Transfer Restrictions”.



**ERISA Considerations**

Unless otherwise provided in the applicable Pricing Supplement, the Notes may be purchased and held by an employee benefit plan subject to Title I of the Employee Retirement Income Security Act of 1974, as amended (“ERISA”), or by an individual retirement account or other plan subject to Section 4975 of the Internal Revenue Code of 1986, as amended (the “Code”). A fiduciary of an employee benefit plan subject to ERISA must determine that the purchase and holding of a note is consistent with its fiduciary duties under ERISA. The fiduciary of an ERISA plan, as well as any other prospective investor subject to Section 4975 of the Code or any similar law, must also determine that its purchase and holding of the Notes does not result in a non-exempt prohibited transaction as defined in Section 406 of ERISA or Section 4975 of the Code or similar law. Each purchaser and transferee of a Note who is subject to ERISA and/or Section 4975 of the Code or a similar law will be deemed to have represented by its acquisition and holding of the Note that its acquisition and holding of the Notes does not constitute or give rise to a non-exempt prohibited transaction under ERISA, Section 4975 of the Code or any similar law.

**Legal Entity Identifier**

In the case of the Issuer acting through its registered office in Singapore is 5493007O3QFXCPOGWK22 or as otherwise specified for a Specified Issuer as set out in the applicable Pricing Supplement.

## SUMMARY FINANCIAL AND OTHER INFORMATION

The following table sets out the summary financial and other information derived from our audited consolidated financial statements as of and for the three years ended December 31, 2017, 2018 and 2019 and our unaudited interim consolidated financial statements as of and for the six months ended June 30, 2019 and 2020, each prepared in accordance with SFRS(I).

The financial information is based on, and should be read in conjunction with: (i) our audited consolidated financial statements as of and for the years ended December 31, 2017, 2018 and 2019 and the notes related thereto which are incorporated by reference into this Offering Memorandum; (ii) our unaudited interim consolidated financial statements as of and for the six months ended June 30, 2020 and the related notes thereto, which include comparative financial statements as of and for the six months ended June 30, 2019 and which are set forth beginning on page F-2 of this Offering Memorandum; and (iii) the section entitled “Management’s Discussion and Analysis of Financial Condition and Results of Operations”.

Our audited consolidated financial statements as of and for the years ended December 31, 2017, 2018 and 2019 and our unaudited interim consolidated financial statements as of and for the six months ended June 30, 2019 and 2020 differ in certain material respects from U.S. GAAP. Investors should consult their own professional advisors for an understanding of the differences between SFRS(I) and U.S. GAAP, IFRS and the generally accepted accounting principles of other jurisdictions and how those differences might affect the financial information contained in this Offering Memorandum.

	Year ended December 31,				Six months ended June 30,		
	2017	2018	2019		2019	2020	
	S\$	S\$	S\$	U.S.\$	S\$	S\$	U.S.\$
		<i>(audited)</i>				<i>(unaudited)</i>	
		<i>(in millions)</i>			<i>(in millions)</i>		
<b>Summary income statement information:</b>							
Interest income . . . . .	9,118	11,049	12,098	8,981	6,093	5,229	3,747
Interest expense . . . . .	<u>(3,695)</u>	<u>(5,159)</u>	<u>(5,767)</u>	<u>(4,281)</u>	<u>(2,971)</u>	<u>(2,120)</u>	<u>(1,519)</u>
Net interest income . . . . .	<u>5,423</u>	<u>5,890</u>	<u>6,331</u>	<u>4,700</u>	<u>3,122</u>	<u>3,109</u>	<u>2,228</u>
Premium income . . . . .	12,118	11,674	10,965	8,140	5,039	6,077	4,354
Investment income . . . . .	4,117	69	6,911	5,131	4,193	1,379	988
Net claims, surrenders and annuities . . . . .	<u>(5,339)</u>	<u>(6,266)</u>	<u>(6,404)</u>	<u>(4,754)</u>	<u>(2,970)</u>	<u>(3,417)</u>	<u>(2,448)</u>
Net change in life insurance fund contract liabilities . . . . .	<u>(8,217)</u>	<u>(3,183)</u>	<u>(8,557)</u>	<u>(6,353)</u>	<u>(4,835)</u>	<u>(3,195)</u>	<u>(2,289)</u>
Commission and others . . . . .	<u>(1,911)</u>	<u>(1,554)</u>	<u>(2,136)</u>	<u>(1,586)</u>	<u>(1,052)</u>	<u>(506)</u>	<u>(363)</u>
Profit from life insurance . . . . .	768	740	779	578	375	338	242
Premium income from general insurance . . . . .	150	171	197	146	89	101	72
Fees and commissions (net) . . . . .	1,953	2,031	2,123	1,576	1,017	986	707

	Year ended December 31,				Six months ended June 30,		
	2017	2018	2019		2019	2020	
	S\$	S\$	S\$	U.S.\$	S\$	S\$	U.S.\$
	<i>(audited) (in millions)</i>				<i>(unaudited) (in millions)</i>		
Dividends . . . . .	76	128	92	68	32	30	21
Net trading income <sup>(1)</sup> . . . . .	515	508	977	725	478	343	246
Other income <sup>(1)</sup> . . . . .	643	233	372	277	181	208	149
Non-interest income . . . . .	4,105	3,811	4,540	3,370	2,172	2,006	1,437
Total income . . . . .	<u>9,528</u>	<u>9,701</u>	<u>10,871</u>	<u>8,070</u>	<u>5,294</u>	<u>5,115</u>	<u>3,665</u>

	Year ended December 31,				Six months ended June 30,		
	2017	2018	2019		2019	2020	
	S\$	S\$	S\$	U.S.\$	S\$	S\$	U.S.\$
	<i>(audited) (in millions)</i>				<i>(unaudited) (in millions)</i>		
Staff costs . . . . .	(2,471)	(2,606)	(2,840)	(2,108)	(1,390)	(1,403)	(1,005)
Other operating costs . . . . .	(1,572)	(1,608)	(1,804)	(1,339)	(856)	(813)	(583)
Total operating expenses . . . . .	<u>(4,043)</u>	<u>(4,214)</u>	<u>(4,644)</u>	<u>(3,447)</u>	<u>(2,246)</u>	<u>(2,216)</u>	<u>(1,588)</u>
Operating profit before allowances and amortization . . .	5,485	5,487	6,227	4,623	3,048	2,899	2,077
Amortization of intangible assets . . . . .	(104)	(102)	(103)	(76)	(51)	(53)	(38)
Allowances for loans and other assets . . . . .	<u>(671)</u>	<u>(288)</u>	<u>(890)</u>	<u>(661)</u>	<u>(360)</u>	<u>(1,407)</u>	<u>(1,008)</u>
Operating profit after allowances and amortization . . .	4,710	5,097	5,234	3,886	2,637	1,439	1,031
Share of results of associates, net of tax . . . . .	389	455	566	420	316	328	235
Profit before income tax . . . . .	5,099	5,552	5,800	4,306	2,953	1,767	1,266
Income tax expense . . . . .	<u>(803)</u>	<u>(877)</u>	<u>(778)</u>	<u>(578)</u>	<u>(419)</u>	<u>(281)</u>	<u>(201)</u>
Profit for the period . . . . .	<u>4,296</u>	<u>4,675</u>	<u>5,022</u>	<u>3,728</u>	<u>2,534</u>	<u>1,486</u>	<u>1,065</u>
<b>Profit attributable to:</b>							
Equity holders of OCBC Bank . .	4,045	4,492	4,869	3,615	2,454	1,428	1,023
Non-controlling interests . . . . .	251	183	153	113	80	58	42
	<u>4,296</u>	<u>4,675</u>	<u>5,022</u>	<u>3,728</u>	<u>2,534</u>	<u>1,486</u>	<u>1,065</u>

	As of December 31,				As of June 30,	
	2017	2018	2019		2020	
	S\$	S\$	S\$	U.S.\$	S\$	U.S.\$
	<i>(audited)</i>				<i>(reviewed)</i>	
	<i>(in millions, except for percentages)</i>				<i>(in millions, except for percentages)</i>	
<b>Summary balance sheet information:</b>						
Loans to customers <sup>(2)(3)</sup> . . . . .	234,668	255,502	262,348	194,765	264,391	189,446
Placements with and loans to banks <sup>(3)</sup> . . . . .	49,572	39,160	35,864	26,625	36,158	25,909
Total assets . . . . .	452,693	467,543	491,691	365,027	510,002	365,436
Deposits of non-bank customers . .	283,642	295,412	302,851	224,834	309,731	221,934
Deposits and balances of banks . .	7,485	7,576	8,250	6,125	12,460	8,928
Total liabilities . . . . .	410,900	424,151	443,088	328,945	460,660	330,080
Total equity . . . . .	41,793	43,392	48,603	36,082	49,342	35,356
<b>Credit quality information:</b>						
Total non-performing loans . . . . .	3,415	3,838	3,838	2,849	4,229	3,030
Total non-performing loans as a percentage of gross loans . . . . .	1.5%	1.5%	1.5%	1.5%	1.6%	1.6%
Total non-performing assets . . . . .	3,468	3,938	3,883	2,883	4,351	3,118
Substandard . . . . .	2,339	2,356	2,330	1,730	2,583	1,851
Doubtful . . . . .	728	1,201	1,119	831	1,285	921
Loss . . . . .	401	381	434	322	483	346
Allowances for impaired assets . . .	1,249	1,221	1,397	1,037	1,842	1,320
<b>Consolidated capital information:</b>						
Common Equity Tier 1 capital <sup>(4)</sup> . . .	26,907	28,068	31,800	23,608	31,876	22,840
Tier 1 capital . . . . .	28,960	29,640	33,331	24,745	33,406	23,937
Eligible total capital . . . . .	33,225	32,986	35,992	26,720	36,726	26,316
Total risk weighted assets . . . . .	193,082	200,248	213,356	158,393	223,867	160,409
CET1 CAR <sup>(4)</sup> . . . . .	13.9%	14.0%	14.9%	—	14.2%	—
Tier 1 CAR <sup>(4)</sup> . . . . .	14.9%	14.8%	15.6%	—	14.9%	—
Total CAR <sup>(4)</sup> . . . . .	17.2%	16.4%	16.8%	—	16.4%	—

**Notes:**

- (1) "Rental income" was disclosed as a separate line item and "Net trading income" was subsumed and disclosed as part of "Other income" in the financial statements for the years ended December 31, 2017, 2018 and 2019 and six months ended June 30, 2019.
- (2) Net of allowances.
- (3) Comparatives have been restated to conform to current period presentation.
- (4) Capital adequacy ratios are computed based on Basel III transitional arrangements.

## RISK FACTORS

Prior to making an investment decision, investors should carefully consider, along with other matters set forth in this Offering Memorandum, the following risk factors. These risk factors are not necessarily of equal importance, likelihood of occurrence or duration. Additionally, some risk factors may be related to others, and the occurrence of events described in one risk factor could increase the likelihood of occurrence of events described in others. The occurrence of any of the following events could have a material adverse effect on our business including our ability to grow our asset portfolio, the quality of our assets, our liquidity, our financial performance, our ability to implement our strategy and our ability to repay the interest or principal on the Notes in a timely fashion or at all. Terms used but not defined in this or prior sections have the meanings given to them in the other sections of this Offering Memorandum.

### Risks Relating to the Current Financial Environment

***Global and regional geo-political economic and financial conditions could adversely affect our operations, asset quality and growth and cause our business to suffer.***

The OCBC Group has been, and in the future will continue to be, materially affected by geo-political, economic and market conditions, including factors such as the liquidity of the global financial markets, the level and volatility of debt and equity prices, interest rates, currency and commodity prices, investor sentiment, inflation and the availability and cost of capital and credit.

There are a number of uncertainties ahead in the global markets. The outbreak of the novel coronavirus COVID-19, which the World Health Organisation declared the outbreak a pandemic on March 12, 2020, has spread to many parts of the world. The number of reported cases of COVID-19 worldwide, as well as the number of reported deaths as a consequence of COVID-19 worldwide, significantly exceed those observed during the SARS epidemic that occurred from November 2002 to July 2003. The continuing COVID-19 pandemic worldwide, including the places of businesses at which OCBC Group operates, has a significant adverse impact on the global economy due to the disruptions around the world and across all social and economic activities, causing large scale dislocation to global supply chains, halting production, reducing demand and inflicting loss in income. There was also weakened sentiment in consumption and retail, travel, hospitality related sectors, border controls and travel restrictions, restricted labour supply and confidence effects. As the situation in relation to COVID-19 is still evolving and could become more severe and widespread, the heightened uncertainties surrounding the pandemic, including but not limited to the length of the pandemic, required lockdowns, resurgence of infection cases, development and effectiveness of potential vaccine or treatment, extent of production disruptions and restoration of business and consumer confidence, may result in a prolonged global economic crisis or recession, which may in turn adversely impact the OCBC Group's business, financial condition and results of operations.

Governments and central banks around the globe have introduced or are planning fiscal and monetary stimulus and relief measures including tax cuts, direct subsidies, rates cut, bond repurchase programs and suspension or relaxation of prudential bank capital requirements. These measures aim to contain the economic impact of COVID-19, stabilise the markets and provide liquidity easing to the markets. For example, the Singapore government has released four budget packages, namely the S\$6.4 billion Unity Budget on February 18, 2020, the S\$48 billion Resilience Budget on March 26, 2020, the S\$5.1 billion Solidarity Budget on April 6, 2020, and the S\$33 billion Fortitude Budget on May 26, 2020, as part of its support and relief measures in response to the COVID-19 outbreak. In addition, the COVID-19 (Temporary Measures) Bill was announced by the Singapore government in April 2020 and introduces certain relief for individuals and businesses in financial distress as a result of the ongoing COVID-19 outbreak. In addition, the MAS, together with the Association of Banks in Singapore ("**ABS**"), the Life Insurance Association ("**LIA**"), the General Insurance Association ("**GIA**") and the Finance House Association of

Singapore (“**FHAS**”), had also announced a package of measures in March 2020 to help ease the financial strain on individuals and SMEs caused by the COVID-19 outbreak, which include, amongst others, a freeze on mortgage and business loan payments and cuts to credit card rates. More recently in August 2020, the Singapore government further announced the extension of some of the relief measures which include the addition of S\$8 billion into the Jobs Support Scheme to help save jobs and create new ones. However, there is no assurance that such measures and support packages may be introduced in time or will be sufficient or effective in delivering their policy objectives or improving the state of the local and global economy.

While the OCBC Group maintains capital buffers above the regulatory requirement and MAS has introduced transitional relief measures which will continue until the end of 2020, the market volatility arising from the COVID-19 outbreak, particularly with respect to falling yields, may have a material impact on the OCBC Group’s capital position. In the event of a continued market downturn and/or sustained market volatility, there is no assurance that the OCBC Group’s business, financial condition and results of operations would not be materially affected.

There is also uncertainty with regard to the upcoming 2020 U.S. presidential election where the election outcome could prompt significant policy changes and ramifications for the economy and markets within the U.S. and globally.

In China, concerns include bilateral trade relations and friction with the U.S. and managing an economic slowdown and putting in place new legal frameworks to deal with an expected rise in defaults in its bond market amidst continued structural imbalances in the China economy, e.g. the dominance of state-owned enterprises and high corporate leverage. The Sino-US trade tensions have brought uncertainty into world markets with the imposition of tariffs on products and foreign technology restrictions. These restrictions and tariffs have disrupted supply chains, created uncertainty for companies, raised costs for consumers and caused the global growth to slow. Policymakers are steering the economy towards a path of sustainable growth for the long term, which has resulted in slower growth as the economy shifts away from relying on real estate investment and towards relying on consumption and services to drive growth. China’s rising leverage is also a growing risk and it continues to face vulnerabilities associated with high corporate indebtedness, particularly in sectors with overcapacity and deteriorating profitability. Credit growth still outpaces nominal GDP growth, despite monetary and regulatory tightening.

In Hong Kong SAR, economic disruptions from ongoing social unrest and protests since June 2019 could destabilize the economy if such social unrest and protests were to escalate. As a result of this, there is increasing concern over how the other countries have reacted to the ongoing social unrest and protests. There also remains a climate of fear and uncertainty resulting from the new national security law for Hong Kong SAR, which was enacted by China on June 30, 2020. The new national security legislation criminalises certain acts of secession, subversion, terrorism and collusion with foreign or external forces. The new national security legislation also allows a newly established security office in Hong Kong SAR to send some of the cases to be tried in Mainland China.

In Europe, (i) the exit of the United Kingdom from the European Union on January 31, 2020 (with plans to sign a free trade agreement before its Brexit transition period ends in December 2020); (ii) the possibility that other European Union countries could hold similar referendums to the one held in the United Kingdom and/or call into question their membership of the European Union; (iii) the possibility that one or more countries that adopted the Euro as their national currency might decide, in the long term, to adopt an alternative currency; or (iv) prolonged periods of uncertainty connected to these eventualities could have significant negative impacts on international markets. These could include greater volatility of foreign exchange and financial markets in general due to the increased uncertainty.

The implications for the world and the OCBC Group are significant. First, a rise in global trade protectionism will negatively impact the trade-dependent economies in Asia. Second, the interplay of U.S. fiscal and monetary policies, and aggressive quantitative easing programs in advanced economies may lead to more volatile global capital flows, which could in turn impact global growth. Third, OCBC Group is exposed to the risks of Hong Kong SAR's financial system, which could be negatively impacted by a decline in Hong Kong SAR's economic health and social unrest. Fourth, while the OCBC Group's direct exposures in Europe and the United Kingdom are not material, financial market volatility and increased uncertainty may have a broader global economic impact that may in turn have a material adverse effect on the OCBC Group's business, financial condition and results of operations.

As a result of the COVID-19 outbreak, deflationary pressures have also started to exert as the rate of unemployment rises and the number of insolvencies increases. Consumers are delaying their spending and demand for goods and services have significantly decreased. However, with the measures put in place by the Singapore government in its attempt to control the spread of COVID-19, the deflationary pressures have slowly started to ease as the economy slowly returns to normalcy.

To the extent uncertainty regarding the economic outlook continues to negatively impact consumer confidence and consumer credit factors globally, the OCBC Group's business and results of operations could be significantly and adversely affected. See further "Risk Factors – Risks relating to current financial environment – Terrorism, epidemics and other events could adversely affect the economies of countries where we operate and our business" for details on the impact of COVID-19 on the OCBC Group's business and results of operations.

We offer banking and financial services to our customers globally and throughout the Asia Pacific region, particularly to those in Singapore, Greater China, Malaysia and Indonesia. On a geographical basis, as of June 30, 2020, 58.5% of our total assets were in Singapore, 16.9% of our total assets were in Greater China, 13.0% of our total assets were in Malaysia and 3.5% of our total assets were in Indonesia. As such, our financial performance, business growth and portfolio quality are substantially dependent on the health of the economies of Singapore, Greater China, Malaysia and Indonesia, which in turn are heavily dependent on international trade, investment and other global economic factors discussed above. On a regional basis, Asian economies in which we operate have also experienced heightened market volatility since May 2013 resulting from expected changes in the U.S. Federal Reserve quantitative easing program, which was officially concluded in October 2014. Quantitative easing involved keeping long-term interest rates low in an effort to stimulate the U.S. economy and market interest rates, and as a result of the end to the program and general macroeconomic conditions in the United States, the U.S. Federal Reserve increased the federal funds rate to 0.25% to 0.50% in December 2015 – the first-rate increase since it cut this rate to 0% to 0.25% in December 2008. Thereafter, the federal funds rate has steadily increased over the years to its peak of 2.25% to 2.50% in December 2018. In March 2020, in response to the economic shutdown caused by the COVID-19 outbreak, the U.S. Federal Reserve cut the federal funds rate to 0% to 0.25% and launched a U.S.\$700 billion quantitative easing program. In July 2020, the Board of Governors of the U.S. Federal Reserve voted unanimously to, among other things, undertake open market operations as necessary to maintain the federal funds rate in a target range of 0% to 0.25%. With the U.S. Federal Reserve looking inclined to leave its interest rates near zero through 2022, interest rates across the world are expected to remain low for the foreseeable future.

A further slowdown in the rate of growth or a contraction in the Singaporean or the Malaysian economy or other markets in which we operate, such as Indonesia or Greater China, could result in lower demand for credit and other financial products and services and higher defaults among corporate and retail borrowers, which could materially and adversely impact our business, financial condition, results of operations and prospects. In Malaysia, the sharp decline in oil prices since 2014, soft commodity prices and the political instability have led to a corresponding decline

in the value of the Malaysian Ringgit and a consequential decrease in Malaysia's foreign currency reserves. The Malaysian economy remains susceptible to internal sizable household debt levels and external shocks such as a global growth slowdown or geopolitical tensions. In Indonesia, faster and larger increases in U.S. interest rates are risks to the Indonesian economy's prospects, as they could lead to capital outflows and put pressure on the Indonesian Rupiah.

Our operations are exposed to the political and social environment of the countries in which we operate. Volatility in social and political conditions and geopolitical risks may interrupt, limit or otherwise affect our operations and in turn adversely affect our business, financial condition, results of operations and prospects. Additionally, the political instability in the Middle East is still ongoing. Geopolitical tensions in North Asia, the Korean peninsula and the South China Sea may also continue to disrupt regional stability. The influx of refugees into Europe may also negatively affect any economic recovery in Europe, and armed conflicts and terrorism and their effects on us or our markets may significantly affect our business and results of operations in the future.

***The regulatory environment for financial institutions is facing unprecedented change in the post-financial crisis environment, and regulators are increasingly viewing us, as well as other financial institutions globally, as generally presenting a higher risk profile than in the past.***

We are subject to a wide variety of banking, insurance and financial services laws, regulations, regulatory policies and many regulatory and enforcement authorities in several jurisdictions. The global financial crisis in particular has led to significant and unprecedented changes in the laws, regulations and regulatory policies of Singapore and the other jurisdictions in which we operate. Such changes may include new, revised or more burdensome standards with respect to regulatory capital requirements, leverage or liquidity standards, cross-border capital flows, local lending obligations, management compensation, consumer protection and risk management, among other areas. We may also incur increased compliance costs associated with laws, regulations and standards enacted outside of our primary markets, such as the United States Foreign Account Tax Compliance Act and the Common Reporting Standard developed by the Organization for Economic Co-operation and Development.

The MAS and other regulators regularly review our operations and there can be no guarantee that any regulator will agree with our internal assessments of asset quality, provisions, risk management, capital adequacy, management functioning, other measures of the safety and soundness of our operations or compliance with applicable laws, regulations or regulatory policies. Our ability to predict future legal or regulatory changes is limited and we may face greatly enhanced legal or regulatory burdens without advanced notice. We cannot predict the timing or form of any current or future regulatory or law enforcement initiatives, which are increasingly common for international banks and financial institutions.

Any such changes to laws, regulations or regulatory policies, including their interpretation or application, may result in increased expenses or operational restrictions, revisions to our business operations, limitations on the products and services we offer, diminished asset values, increased cost of funds or limits on the collateral available for our loans, which may reduce our profitability or force us to forgo potentially profitable business opportunities. In addition, we may face adverse legal or regulatory actions and higher compliance costs from the increased review and scrutiny. Regulators may find that we are not in compliance with applicable laws, regulations or regulatory policies or with the regulators' revised interpretations of such laws, regulations or regulatory policies, and may take formal or informal actions against us. If taken, such formal or informal actions might force us to make additional provision for our non-performing assets, divest our assets, adopt new compliance programs or policies, remove personnel or undertake other changes to our business operations. Any of these changes, if required, could reduce our profitability by restricting our operations, reducing our capitalization, imposing new costs or harming our reputation.



***Systemic risk resulting from failures in the banking industry and financial difficulties of other financial institutions could adversely affect our business, financial condition, results of operations and prospects.***

Within the banking industry, the default of any institution could lead to defaults by other institutions. Concerns about, or a default by, one institution could lead to significant liquidity problems, losses or defaults by other institutions because the commercial soundness of many financial institutions may be closely related as a result of their credit, trading, clearing or other relationships. This risk is sometimes referred to as “systemic risk” and may adversely affect financial intermediaries, such as clearing agencies, clearing houses, banks, securities firms and exchanges with whom we interact on a daily basis. Any default by other institutions or any difficulties or instability of the financial system in general could create an adverse market perception and materially and adversely affect our business, financial condition, results of operations and prospects.

## **Risks Relating to Our Business**

***We face increased competition which may result in decreased loan margins and reduce our market share.***

We face intense competition from other commercial banks, investment banks, insurance companies and non-bank finance companies. Our primary competitors consist of other Singapore banks, major foreign banks licensed in Singapore and other financial institutions in Southeast Asia, Greater China and other markets in which we operate. Many of our competitors have resources much greater than ours and some of them have recently experienced higher growth, achieved better profitability and increased their market shares relative to us.

In recent years, the Singapore government has taken steps to liberalize the Singapore banking industry, which has resulted in increased competition among domestic and foreign banks operating in Singapore, leading to reduced margins for certain banking products. In particular, the MAS, which supervises banks in Singapore, has granted Qualifying Full Bank (“**QFB**”) licenses to various foreign financial institutions since 1999. QFBs are permitted to establish operations in up to 25 service locations in Singapore which can be used for branches or off-site Automated Teller Machines (“**ATMs**”) or cash deposit machines, and are also permitted to share ATMs among themselves. Foreign banks granted such licenses face fewer restrictions on their Singapore dollar deposit-taking and lending activities. In June 2012, the MAS indicated that it will continue to allow greater foreign bank participation in the Singapore banking industry and refine the QFB system, including the addition of the “significant rooted foreign bank” (“**SRFB**”) framework. Certain QFBs that meet MAS’ qualifications for being “significantly rooted” and are from jurisdictions that have a Free Trade Agreement with Singapore may be allowed to have an additional 25 places of business in Singapore, of which 10 may be branches. The MAS announced in August 2020 that SRFB privileges will be awarded to Standard Chartered Bank (Singapore) Limited, and that the SRFB framework will be enhanced such that MAS will consider granting an additional full bank licence to an SRFB that substantially exceeds the SRFB baseline criteria, enabling such an SRFB to have the flexibility to establish subsidiaries, including with joint-venture partners, to operate new or alternative business models. In recent years, the Singapore government has also allowed more foreign banks to obtain “wholesale banking” licenses to enable them to expand their Singapore dollar wholesale banking business in Singapore and to broaden the scope of Singapore dollar banking activities in which foreign banks may participate. Further, since the implementation of the United States Singapore Free Trade Agreement, which was signed in May 2003, Singapore banks, including us, are subject to additional competition in areas that were traditionally the stronghold of local banks. This trade agreement has removed QFB and wholesale bank license quotas for U.S. banks and significantly relaxed certain other restrictions on international banking activities. The European Union-Singapore Free Trade Agreement, which entered into force in November 2019, also included SRFB commitments. Further liberalization of the Singapore financial sector could lead to a greater presence or new entries of domestic and foreign banks offering a wider range of products and services, which could adversely impact our competitive environment.

In June 2019, the MAS announced that it will issue up to two digital full bank (“**DFB**”) licences and three digital wholesale bank (“**DWB**”) licences. The digital bank licences will allow entities, including non-bank players, to conduct digital banking businesses in Singapore. The MAS received 21 digital bank applications, and in June 2020, announced that 14 of the 21 applications (comprising five DFB applicants and nine DWB applicants) have met the eligibility criteria required for the application to be considered and will progress to the next stage of assessment.

There can be no assurance that we will be able to maintain our competitive position or compete successfully with other domestic and foreign financial institutions or that such increased competition will not have a material adverse effect on our business. If we are unable to provide competitive products and services or fail to attract new customers and/or retain existing customers, we may experience decreases on our interest, fee and commission income, and/or lose market share, the occurrence of any of which could have a material adverse effect on our business, financial condition, results of operations and prospects.

***We may be exposed to new or increased risks as we expand the range of our products and services and the geographic scope of our business.***

Building growth in overseas markets forms a key pillar of our strategy. In 2004, we increased our presence in Indonesia with the acquisition of a stake in the former PT Bank NISP Tbk (“**Bank NISP**”), and as of June 30, 2020, we owned an 85.1% stake in the renamed PT Bank OCBC NISP Tbk (“**OCBC NISP**”). In 2006, we acquired a 12.2% stake in Bank of Ningbo Company Limited (“**Bank of Ningbo**”) in China and in 2010, we increased our stake to 15.3%. On September 30, 2014, we completed the subscription of new ordinary shares in Bank of Ningbo and increased our equity stake to 20.0% of Bank of Ningbo’s enlarged issued capital. In August 2007, we completed the local incorporation of our existing operations in China, and our wholly-owned subsidiary, OCBC Bank (China) Ltd. (“**OCBC China**”), officially commenced operations. We further entrenched our position in Greater China, first acquiring a majority stake in Wing Hang Bank Limited (subsequently renamed OCBC Wing Hang Bank Limited, “**OCBC Wing Hang**”) in July 2014, before assuming full ownership in October 2014. OCBC Wing Hang was delisted from the Hong Kong Stock Exchange shortly thereafter. OCBC Wing Hang’s subsidiary in China, Wing Hang Bank (China) Limited, was officially merged with OCBC Bank (China) Limited in July 2016, with the resulting entity becoming OCBC Wing Hang Bank (China) Limited. With this merger, OCBC Bank has also complied with China’s single presence policy for foreign banks. On January 29, 2010, we completed the acquisition of ING Asia Private Bank (“**IAPB**”) and combined its business with that of OCBC Private Bank under a wholly-owned subsidiary which was renamed Bank of Singapore. Bank of Singapore provides private banking services to mainly Asian clients. In July 2015, we opened a new branch in Myanmar offering banking services to foreign companies and joint ventures, as well as domestic banks in Myanmar. On November 28, 2016, Bank of Singapore announced that it had completed the acquisition of the Wealth and Investment Management business of Barclays Bank PLC in Singapore and Hong Kong SAR. In November 2017, we completed the acquisition of National Australia Bank’s Private Wealth business in Singapore and Hong Kong SAR. In the same year, we also grew our wealth management footprint in Indonesia with the launch of onshore private banking services, while Bank of Singapore opened a new branch in the Dubai International Financial Centre to serve customers in the Middle East. In April 2019, Bank of Singapore officially established its wealth management subsidiary, BOS Wealth Management Europe, in Luxembourg (and branch office in London) that further positions us to capture opportunities in Europe. In May 2019, Great Eastern General Insurance Limited (formerly, The Overseas Assurance Corporation Limited) completed the acquisition of 95% of the share capital of PT QBE General Insurance Indonesia (subsequently renamed PT Great Eastern General Insurance Indonesia), a general insurance company in Indonesia.

Such regional expansion into Indonesia, Greater China and other Asian markets outside of Singapore and Malaysia increases our risk profile and exposure to asset quality problems. This expansion and operation of our overseas business and our strategy to further deepen our presence in the international markets may further increase our exposure to risks of adverse developments in foreign economies and markets, including interest rate and foreign exchange rate risk and regulatory and political risk. Our overseas expansion also exposes us to the compliance risks and the credit and market risks specific to the countries and regions in which we operate. There can be no assurance that such regional expansion will not have a material adverse effect on our business, financial condition, results of operations and prospects, or that our credit and provisioning policies will be adequate in relation to such risks.

Taking into consideration the fluctuations and changes in customer behavior, rising smart device and social media usage as well as increasing use of non-bank players for effecting payments, traditional banking is fast changing. The rapidly changing financial landscape, advances in the application of digital technology and the attendant cyber security risks, together with the entry of global e-commerce platform and Fintech companies offering financial services, require us to be highly adaptable and responsive to the new demands and competition. As part of our business strategy, we are expanding our distribution channels and our range of products and services beyond our traditional commercial banking business to other services. Accordingly, we will need to develop, invest in and implement systems to manage new products and services and distribution channels. We may incur expenses necessary to address regulatory requirements that enhance consumer protections, including improvements to information technology systems and employee training. There may be risks associated with our new services and businesses for which we have limited or no experience. As a result, our risk management systems may prove to be insufficient and may not be effective in all cases or to the degree required. Further, while digitalization has provided new business opportunities, it has also introduced new and increased cyber risk exposures for the Group. Despite increased investments in digital technologies and new digital initiatives, digitalization remains a fast moving and evolving landscape and there can be no assurance that the Group will be able to fully and successfully execute its strategy in the digitalization space.

***Any substantial increase in non-performing assets, non-performing loans and allowances could impair our financial condition.***

Our financial condition and results of operations have been and will continue to be affected by the quality of our assets, including loans and allowances. Our non-performing assets amounted to S\$3,468 million, S\$3,938 million, S\$3,883 million (U.S.\$2,883 million) and S\$4,351 million (U.S.\$3,118 million) as of December 31, 2017, 2018 and 2019 and June 30, 2020, respectively, of which non-performing loans (“NPLs”) amounted to S\$3,415 million, S\$3,838 million, S\$3,838 million (U.S.\$2,849 million) and S\$4,229 million (U.S.\$3,030 million) as of December 31, 2017, 2018 and 2019 and June 30, 2020, respectively. As a percentage of gross loans to customers, our NPLs were 1.5%, 1.5%, 1.5% and 1.6% as of December 31, 2017, 2018 and 2019 and June 30, 2020, respectively. As of June 30, 2020, our total cumulative allowances, comprising cumulative allowances for impaired assets and cumulative allowances for non-impaired assets, as a percentage of non-performing assets were 100.8%. If domestic or global economic conditions worsen or do not improve, our borrowers do not repay their loans, and past experience, evaluations, assumptions and estimates about our borrowers, valuation of collateral and guarantees, and general economic and business conditions upon which our allowances are based fail to provide an accurate representation of actual future incurred losses, among other things, our non-performing assets, NPLs and allowances may increase significantly above the current level. Changes in law or government policies that have an adverse impact on the rights of creditors could also cause us to incur increased credit costs.

If we are not able to control or reduce the level of non-performing assets and NPLs, the overall quality of our assets may deteriorate, and we may become subject to enhanced regulatory oversight and scrutiny and our reputation, business, financial condition, results of operations, prospects and capital adequacy ratios may be materially and adversely affected.

In addition, loan volumes are affected by market interest rates on loans, and low interest rates generally are associated with a lower margin for loan originations or repricing. Accordingly, changes in levels of market interest rates, particularly in this sustained low interest rate environment, could materially and adversely affect our asset quality, loan origination volume and overall profitability.

***A decline in the value of our collateral, including real estate, may increase our loan loss allowances and result in failure to recover the expected value of collateral security, exposing us to a potential loss.***

Adverse changes in the credit quality of our borrowers and counterparties or adverse changes arising from a deterioration in global and regional economic conditions or asset values could reduce the value of our assets. In particular, a significant portion of our loan portfolio is secured by real estate. In the event of a downturn in the real estate markets in Singapore or the other markets in which we conduct business, changes in asset prices may cause the value of our collateral to decline and a portion of our loans may exceed the value of the underlying collateral.

Any decline in the value of the collateral securing our loans or failure to recover the expected value of collateral may require us to increase our loan loss allowances. In the event of default, this may increase our losses if we are unable to obtain additional collateral or realize the value of existing collateral, any of which could materially and adversely affect our business, financial condition, results of operations and prospects.

***Our funding is predominantly in the form of local currency deposits which are short-term or repayable on demand, and liquidity shortfalls may increase our cost of funds and materially and adversely affect our business, financial condition, results of operations and prospects.***

We need liquidity to pay our operating expenses, pay interest on and principal of debt, maintain our lending activities and meet deposit withdrawals and regulatory requirements. Most of our funding requirements are met through a combination of funding sources, primarily in the form of deposit-taking activities, issuance of debt securities and interbank funding.

As of June 30, 2020, 99.1% of our deposits had current maturities of one year or less or were payable on demand. Such deposits are mainly from savings deposits, term and current account and demand deposits. Because a large portion of our assets has medium or long-term maturities and may be in foreign currencies, in particular the U.S. dollar, this creates a potential for funding mismatches. Although our deposit base is currently diversified and does not rely on any significant depositor funding, no assurance can be given that this will continue or that factors affecting a large portion of our depositor base, such as factors affecting the Singaporean economy, will not limit our access to deposits. High volumes of deposit withdrawals, failure of a substantial number of our depositors to roll over deposited funds upon maturity or to replace deposited funds with fresh deposits or our inability to grow our deposit base or a disproportionate increase in the cost of deposits relative to our return on assets, could each have an adverse effect on our liquidity position. In such a situation, we could be required to seek alternative short-term and long-term funds, or alternative foreign currency funds, to meet our liquidity requirements, which may be more expensive than current funding sources and may also increase our exposure to interest rate changes, which could materially and adversely affect our business, financial condition, results of operations and prospects.

In addition, circumstances outside our control, such as adverse market and economic conditions in the domestic and global economies, disruptions in the financial markets or negative developments concerning other financial institutions perceived to be comparable to us, may limit or adversely affect our access to liquidity required to operate our business. If our counterparties or the markets are reluctant to finance our operations due to actual or perceived weaknesses in our business as a result of large losses, changes in our credit ratings, a general decline in the level of business activity in the financial services sector or other factors, we may be unable to meet our payment obligations when they become due or only be able to meet them with funding obtained at unfavorable terms. Without sufficient liquidity, we will be forced to curtail our operations, and our business, financial condition, results of operations and prospects would be materially and adversely affected.

***Our risk management policies and procedures may not adequately address unidentified or unanticipated risks.***

We are constantly exposed to significant credit, market and operational risks and we have devoted significant resources to strengthening our risk management policies and procedures to mitigate and manage such risks. Nevertheless, in light of the continuing evolution of our operations and expansion into new areas, our policies and procedures designed to identify, monitor and manage risks may not be fully effective in time.

Our risk management systems are dependent on our ability to properly identify, and mark-to-market, changes in the value of financial instruments caused by changes in market prices or rates. If the available information which we evaluate and on which our risk management procedures depend is not accurate, our anticipation of risks could be adversely affected. Moreover, severe declines in asset values, unanticipated credit events or unforeseen circumstances that may cause previously uncorrelated factors to become correlated may create losses resulting from risks not appropriately taken into account.

Our risk management strategies may not be effective in a difficult or less liquid market environment because other market participants may be attempting to use the same or similar strategies to deal with difficult market conditions. In such circumstances, it may be difficult for us to reduce our risk positions due to the activity of such other market participants. To the extent any of the instruments and strategies we use to hedge or otherwise manage our exposure to market or credit risk are not effective, we may not be able to mitigate effectively our risk exposures in particular market environments or against particular types of risk.

To the extent our assessments, assumptions or estimates prove inaccurate or not predictive of actual results, we could suffer higher than anticipated losses and enhanced regulatory scrutiny. Furthermore, investigations, administrative actions or litigation could commence in relation to violations, which may involve costs, including possible deterioration of our reputation, and affect the evaluation of our credit ratings by rating agencies. This, in turn, could have a material adverse impact on our business, financial condition, results of operations and prospects.

***We may face pressure on our capital and liquidity positions due to Basel III or other relevant regulatory requirements, which could constrain our operations.***

On December 16, 2010, the Basel Committee on Banking Supervision (the “**Basel Committee**”) published Basel III: A global regulatory framework for more resilient banks and banking systems (“**Basel III**”), which presents the details of global regulatory standards on bank capital adequacy and liquidity, aimed at strengthening the resilience of the banking sector. Basel III sets out higher capital standards for banks, and introduced two global liquidity standards: the “Liquidity Coverage Ratio” and the “Net Stable Funding Ratio”. The Liquidity Coverage Ratio promotes the short-term resilience of a bank’s liquidity risk profile by ensuring that it has sufficient high-quality liquid assets to survive a significant stress scenario lasting for 30 days. The Net Stable Funding Ratio aims to mitigate funding risk over a longer time horizon by requiring banks to fund their activities with sufficiently stable sources of funding.

On January 13, 2011, the Basel Committee also published requirements for all non-common Tier 1 and Tier 2 capital instruments issued on or after January 1, 2013 to be loss absorbing at the point of non-viability.

On September 14, 2012, the MAS re-issued the MAS Notice 637 on Risk Based Capital Adequacy Requirements for Banks Incorporated in Singapore (“**MAS Notice 637**”) to implement the Basel III capital adequacy framework for Singapore. The Basel III capital standards came into effect on January 1, 2013 and were progressively phased in on January 1 each year, from 2013 to 2019. Singapore-incorporated banks that are designated by the MAS as domestic systemically important banks (“**D-SIBs**”) are required to meet minimum Common Equity Tier 1 (“**CET1**”), Tier 1, and total capital adequacy ratios (“**CAR**”) of 6.5%, 8.0%, and 10.0%, respectively. These minimum ratios are two percentage points higher than those established by the Basel Committee.

To ensure that banks build up adequate capital buffer outside periods of stress, a Capital Conservation Buffer (“**CCB**”) of 2.5 percentage points above the minimum capital adequacy requirements was introduced. The CCB is to be maintained in the form of CET1 capital, and will begin at 0.625% on January 1, 2016, and increase by 0.625 percentage point on January 1 each year, to reach 2.5% on January 1, 2019. Including the CCB, D-SIBs incorporated in Singapore will be required to meet CET1 CAR, Tier 1 CAR and total CAR of 9.0%, 10.5% and 12.5%, respectively, from January 1, 2019.

In addition, Singapore-incorporated banks will be subject to a Countercyclical Buffer requirement if this buffer is applied by regulators in countries which the Group has credit exposures to. The Countercyclical Buffer is not an ongoing requirement but it may be applied by regulators to limit excessive credit growth in their economy. In the range of 0% to 2.5% of risk-weighted assets, the actual magnitude of the Countercyclical Buffer applicable under MAS Notice 637 is the weighted average of the country-specific Countercyclical Buffer requirements that are being applied by the regulators in the countries to which the Group has private sector credit exposures.

On December 28, 2017, MAS revised MAS Notice 637 to introduce a minimum leverage ratio requirement of 3.0% at the Solo and Group levels with effect from January 1, 2018.

On March 31, 2020, MAS revised MAS Notice 637 to allow full recognition of balances maintained in regulatory loss allowance reserve accounts pursuant to paragraph 6.3 of MAS Notice 612 on Credit Files, Grading and Provisioning (“**MAS Notice 612**”) as Tier 2 Capital, as a temporary relief to enable financial institutions to focus on dealing with issues related to COVID-19 pandemic and supporting their customers during this difficult period. The relief will be applicable from March 31, 2020 to September 30, 2021. When the relief ceases, the Group may not be able to recognise the full amount of the regulatory loss allowance as Tier 2 capital, which may have an adverse effect on the Group’s Total CAR.

In December 2017, the Basel Committee finalized certain changes to the Basel III post-crisis regulatory reforms, including revisions to the standardized as well as internal ratings-based approaches to measuring credit risk. On May 7, 2019, the MAS released a consultation paper on “Proposed Implementation of the Final Basel III Reforms in Singapore”, seeking feedback on proposed revisions to the risk-based capital requirements and leverage ratio requirements for Singapore-incorporated banks to align with the Basel III reforms, and to implement these revisions from January 1, 2022. On April 7, 2020, the MAS announced the deferment of the final set of Basel III reforms for banks in Singapore by one year to January 1, 2023. These proposals, if implemented, can affect the way banks in Singapore calculate their exposures, which may in turn affect their capital or liquidity requirements.

On November 28, 2014, the MAS issued MAS Notice 649 on Minimum Liquid Assets and Liquidity Coverage Ratio (“**MAS Notice 649**”). MAS Notice 649, which took effect on January 1, 2015 and applies to banks in Singapore, introduced a new liquidity requirement framework to implement the Basel III liquidity coverage ratio (“**LCR**”) rules. Under MAS Notice 649, a bank that has been notified by the MAS that it is a D-SIB which is incorporated in Singapore and whose head office or parent bank is incorporated in Singapore shall maintain at all times, a Singapore Dollar LCR (“**Singapore Dollar LCR requirement**”) of at least 100% and an all currency LCR (“**all currency LCR requirement**”) of at least 60% by January 1, 2015, with the all currency LCR requirement increasing by 10% each year to 100% by 2019. There is no assurance that the Group will not face increased pressure in the future to comply with the MAS’ capital adequacy or liquidity requirements, which may have a material adverse effect on the Group’s return on capital and profitability.

If our capital adequacy and liquidity ratios fall below the required levels, the MAS could require us to take a variety of corrective actions, including additional capital or fund raising, withdrawal from international operations or suspension of all or part of our operations, which in turn may have a material adverse effect on our business, financial condition, results of operations and prospects.

In addition, some of our banking subsidiaries and affiliates in jurisdictions outside Singapore will be subject to local Basel III or other capital adequacy and liquidity requirements, as and when the Basel III framework or other relevant regulation is adopted and implemented by the relevant local regulatory authorities. There is no assurance that our banking subsidiaries and affiliates will not face pressure to meet local Basel III or other relevant regulatory requirements, and any failure by our subsidiaries to meet such requirements may result in administrative actions or sanctions imposed by local regulatory authorities.

We were designated as a D-SIB in Singapore on April 30, 2015. Broadly, D-SIBs are subject to more intensive supervision by the MAS than banks not so designated. In particular, there is no assurance that the MAS will not impose increased capital adequacy or liquidity requirements on D-SIBs, which may have an adverse effect on our return on capital and profitability.

On July 10, 2017, the MAS issued a new MAS Notice 652 on Net Stable Funding Ratio (“**MAS Notice 652**”) which applies to D-SIBs and internationally active banks. MAS Notice 652 took effect from January 1, 2018 (save for the Required Stable Funding add-on for derivative liabilities, which took effect from October 1, 2019). Under MAS Notice 652, a D-SIB incorporated in Singapore and whose head office or parent bank is incorporated in Singapore must maintain a consolidated all-currency Group Net Stable Funding Ratio (“**NSFR**”) of at least 100% on a consolidated level (excluding certain banking group entities such as an insurance subsidiary).

***Losses on our investments may have a material adverse effect on our business, financial condition, results of operations and prospects, and the concentration of sovereign debt obligations in our investment portfolio may increase our risk of suffering investment losses.***

Our investment returns, and thus our profitability, may be materially and adversely affected by conditions affecting our investments, including the level or volatility of interest rates or prices, currency exchange rates, credit and liquidity conditions, the performance and volatility of capital markets, asset values, and macroeconomic and geopolitical conditions, all of which could, in turn, have a material adverse effect on our business, financial condition, results of operations and prospects.

We have substantial investments in debt securities (excluding sovereign exposure), representing 84.8% of our total securities (comprising debt and equity securities and excluding government treasury bills and securities) as of June 30, 2020. Moreover, our investment portfolio comprises primarily fixed income securities. Increases in interest rates could substantially decrease the

value of our fixed income portfolio, and any unexpected change in yield curves could adversely affect the value of our bonds and interest rate derivative positions, resulting in lower-than-expected income or losses from trading and investment activities. Market volatility may also result in significant unrealized losses or impairment losses on our investments. Furthermore, ratings downgrades of investment securities by major rating agencies may also cause declines in the value of our securities portfolio.

We also hold significant amounts of Singapore government securities and securities of other governments. As a result, we have significant credit exposure to sovereign issuers. Investment in sovereign debt obligations involves direct or indirect risks resulting from political, governmental, social or economic changes in the countries of such sovereign issuers and the creditworthiness of such sovereign issuers. Investing in such instruments creates exposure to the direct or indirect consequences of political, governmental, social or economic changes in the countries in which the issuers are located and the creditworthiness of the sovereign. In addition, the issuer of the debt or the governmental authorities that control the repayment of the debt may be unable or unwilling to repay principal or pay interest when due in accordance with the terms of such debt, and we may have limited recourse to compel payment in the event of a default. If a sovereign were to default on its obligations, this could have a material adverse effect on our business, financial condition, results of operations and prospects.

Furthermore, our operations outside Singapore are subject to fluctuations in foreign exchange rates and a portion of our assets and liabilities in Singapore are denominated in foreign currencies, principally the U.S. dollar, which could be adversely affected by currency exchange rate fluctuations. To the extent that our foreign currency denominated assets and liabilities are not matched in the same currency or appropriately hedged, fluctuations in foreign currencies against the Singapore dollar will create foreign currency translation gains or losses and may materially and adversely affect our business, financial condition, results of operations and prospects. For further information, see “Business – Risk Management – Asset Liability Management – Structural Foreign Exchange Risk”.

***Our business relies on our information technology systems, and significant security breaches in our computer system and network infrastructure or system failures could harm our relationships with customers, adversely affect our provision of services to customers, subject us to sanctions by our regulators and materially and adversely impact our business and reputation.***

In all aspects of our business, we use information technology systems to deliver services to and perform transactions on behalf of our customers, as well as for back office operations. We therefore depend on the capacity and reliability of the electronic and information technology systems supporting our operations. There can be no assurance that we will not encounter service disruptions owing to failures of these information technology systems. Our information technology systems are subject to damage or incapacitation as a result of quality problems, human error, natural disasters, power loss, sabotage, computer viruses, acts of terrorism and similar events. In addition, we may not be prepared to address all contingencies that could arise in the event of a major disruption of services.

Physical or electronic break-ins, security breaches, service disruptions and other disruptive problems caused by our increased use of the internet or power disruptions could also affect the security of information stored in and transmitted through our computer systems and network infrastructure. Although we have implemented security technology and operational procedures, including firewalls, tokens and password encryption technologies, designed to minimize the risk of security breaches, and we intend to continue to implement such security technologies, conduct regular vulnerability assessments and network penetration tests and establish operational procedures to prevent any such break-ins, damages and failures, there can be no assurance that these security measures will be successful. In addition, although our centralized data center and



backup systems are separately located in different places, there can be no assurance that both systems will not be simultaneously damaged or destroyed in the event of a major disaster. A significant breakdown in internal controls, fraudulent activities by employees, major service disruptions or failure of security measures or backup systems could significantly affect our operations, result in enhanced regulatory scrutiny and could result and have resulted in the past in regulatory or administrative sanctions and consequently could have a material adverse effect on our business, financial condition, results of operations and prospects.

We handle personal information obtained from our individual and corporate customers in relation to our banking, securities, credit card, insurance and other businesses. The controls we have implemented to protect the confidentiality of personal information, including those designed to meet the strict requirements of banking secrecy laws, may not be effective in preventing unauthorized disclosure of personal information. Leakage of personal information could expose us to lawsuits, administrative or regulatory actions or sanctions and reputational harm, thereby materially and adversely affecting our business, financial condition, results of operations and prospects.

***Fraud or other misconduct by employees or third parties could expose us to losses and regulatory sanctions.***

Our business operations are based on a high volume of transactions. Although we take adequate measures to safeguard against fraud, there can be no assurance that we will be able to prevent fraud. We are exposed to potential losses resulting from fraud and other misconduct by our employees. Our employees may bind us to transactions that exceed authorized limits or present unacceptable risks, hide unauthorized activities from us and from our customers, neglect to carry out their duties properly, conduct improper sales activities, improperly use confidential information or otherwise abuse customer confidences. Third parties may engage in fraudulent activities, including fraudulent use of bank accounts or the use of false identities to open accounts for money laundering, tax evasion or other illegal purposes. Third parties could also use stolen or forged ATM cards or engage in credit card fraud, and we may be required to indemnify victims of such fraud for related losses. In the broad range of businesses in which we engage, fraud and other misconduct are difficult to prevent or detect, and we may not be able to recover the losses caused by these activities. Our reputation could be adversely affected by fraud or other unauthorized actions committed by employees, representatives, agents, customers or outsiders, or by our perceived inability or failure to properly manage fraud-related risks and our inability or perceived inability to manage these risks could lead to ensuing inquiries or investigations and enhanced regulatory oversight and scrutiny. The occurrence of any of the above could materially and adversely affect our business, financial condition, results of operations and prospects.

***We are exposed to derivative financial instruments and market counterparties and any deterioration of creditworthiness of counterparties and/or adverse market impact on fair value of derivatives may have a material adverse effect on our business, financial condition, results of operations and prospects.***

As part of our trading, hedging and other operations, we have exposure to derivative financial instruments which are carried at fair value. The fair value of these derivatives and our exposure to the risk of default by the underlying counterparties depends on the valuation and the perceived risk of the derivatives as well as on the creditworthiness of the relevant counterparty.

In addition, lawmakers and regulators in the United States, Europe and elsewhere have adopted and/or proposed legislation containing restrictions that could adversely impact the liquidity of and increase costs of participating in the commodities, futures and over-the-counter derivative markets. These legislative and regulatory changes, and the resulting increased costs and regulatory oversight requirements, could result in market participants being required to, or deciding to, limit their trading activities, which could cause reductions in market liquidity and

increases in market volatility. In addition, transaction costs incurred by market participants are likely to be higher than in the past, reflecting the costs of compliance with the new regulations. These consequences could adversely affect the fair value of derivatives, which could in turn adversely affect our business, financial condition, results of operations and prospects.

***We may seek opportunities for growth through acquisitions and could face integration and other acquisition risks.***

We may seek opportunities for growth through acquisitions. There can be no assurance that we will not actively pursue other acquisitions or mergers in the Singapore market or that any of these efforts will be successful. Further, we continue to target expansion in our other core markets, namely Malaysia, Indonesia and Greater China and in October 2014, we announced that we completed the acquisition of the outstanding share capital of OCBC Wing Hang and in November 2016, Bank of Singapore announced that it had completed the acquisition of the Wealth and Investment Management business of Barclays Bank PLC in Singapore and Hong Kong SAR. In November 2017, we completed the acquisition of National Australia Bank's Private Wealth business in Singapore and Hong Kong SAR. In May 2019, Great Eastern General Insurance Limited (formerly, The Overseas Assurance Corporation Limited) completed the acquisition of 95% of the share capital of PT QBE General Insurance Indonesia, a general insurance company in Indonesia. The success of these and any future acquisitions depends heavily on a smooth integration of post-merger operations. Potential difficulties of the integration process may include delays or difficulty in harmonizing support functions and business work streams. Benefits of the acquisition may not be realized if the post-merger integration is not well executed or well received by each bank's employees or historical customers and may adversely affect our business and financial results. There can be no assurance that we will not be involved in further mergers and acquisition activities in these countries or elsewhere. Any future acquisitions or mergers, both domestic or international, may involve a number of risks, including the possibility of a deterioration of asset quality and regulatory capital ratios, financial impact of employee-related liabilities, diversion of our management's attention required to integrate the acquired business and the failure to retain key acquired personnel and clients, leverage synergies or rationalize operations, or develop the skills required for new businesses and markets, or unknown and known liabilities including any ongoing litigation, claims or disputes concerning such acquisition, merger, our shareholders, share capital or our legal and regulatory compliance obligations or practices, some or all of which could have an adverse effect on our business. There can be no assurance that we will be able to successfully integrate with or into any such acquired businesses, or that such mergers or acquisitions will not have a material adverse effect on our business, financial condition, results of operations and prospects.

Local regulations may also limit our ability to successfully complete acquisitions outside of Singapore. For example, Bank Indonesia passed a regulation in July 2012, limiting new investments in Indonesian banks to 40.0% of the shares of an Indonesian bank, subject to certain exemptions. Although the new guidelines permit foreign investors which already own majority stakes in Indonesia banks, such as OCBC Bank's 85.1% shareholding as of June 30, 2020, in OCBC NISP, to maintain their holdings, we cannot assure you that future regulations in Indonesia or elsewhere will not limit our ability to expand our banking operations outside of Singapore or require us to divest existing interests.

***Fee and commission income have become important elements of our profitability, and economic and market conditions could cause these income streams to decline and adversely impact our financial performance.***

We earn fee and commission income from a variety of activities, including brokerage, fund management, distribution of investment and insurance products, credit cards, private banking, transaction banking, trade finance, loan and debt syndication and advisory services for corporate clients. Our fee and commission income is therefore impacted by market demand for these products and services, investment and risk appetite, the level of corporate activity and the overall level of economic and trade activity. Volatile market conditions may also have an adverse impact on various streams of our fee and commission income, including brokerage, fund management, distribution of investment and insurance products, the private banking business and the level of corporate activity. The above factors could cause these income streams to decline in the future and materially and adversely impact our business, financial condition, results of operations and prospects.

***We depend on the accuracy and completeness of information about customers and counterparties.***

In deciding whether to extend credit or enter into other transactions with customers and counterparties, we may rely on information furnished to us by or on behalf of customers and counterparties, including financial statements and other financial information. We may also rely on certain representations as to the accuracy and completeness of that information and, with respect to financial statements, on reports of independent auditors. For example, in deciding whether to extend credit, we may assume that a customer's audited financial statements conform to generally accepted accounting principles and present fairly, in all material respects, the financial condition, results of operations and cash flows of the customer. If we rely on financial statements that do not comply with generally accepted accounting principles or other information that is materially misleading, our business, financial condition, results of operations and prospects could be materially and adversely affected.

***Terrorism, epidemics and other events could adversely affect the economies of countries where we operate and our business.***

Terrorist attacks, natural calamities and outbreaks of communicable diseases could lead to disruptions in the functioning of international financial markets and adversely affect Singapore and other economies in which we operate. For example, the COVID-19 outbreak has spread to many parts of the world, resulting in, among other things, ongoing travel and transportation restrictions and increased volatility in international capital markets. In particular, the COVID-19 outbreak has also caused significant disruption to the Singapore economy, in particular the travel, tourism and retail segments, and has caused the Singapore government to revise its economic forecasts for 2020 downward. In response to the COVID-19 outbreak, governments around the world have introduced measures designed to slow the spread of COVID-19, including strict border control and travel restrictions and ordering residents to stay at home with a limited range of exceptions. In Singapore, "circuit-breaker" measures were implemented by the Singapore government on April 7, 2020. These measures ended on June 1, 2020 and from June 2, 2020 to June 18, 2020, under "Phase One" post "circuit-breaker", Singapore gradually re-opened economic activities that do not pose a high risk of transmission and more businesses and workplaces were allowed to resume operations. From June 19, 2020 under "Phase Two" post "circuit-breaker", the vast majority of economic activities have been allowed to resume in Singapore, subject to safe-distancing measures. Given the uncertainties as to the development of the COVID-19 outbreak, it is difficult to predict how long such conditions will exist and the extent to which the OCBC Group may be affected by such conditions. Any material change in the financial markets, the Singapore economy or regional economies as a result of these events or developments may materially and adversely affect our business, financial condition, results of operations and prospects. See further "Risk Factors – Risks relating to current financial environment – Global and regional geo-political economic and financial conditions could adversely affect our operations, asset quality and growth and cause our business to suffer." for details on the COVID-19 outbreak.

In addition, our insurance business exposes us to claims arising out of such events and catastrophes affecting a large segment of the population as portions of our insurance business cover losses from unpredictable events such as hurricanes, windstorms, monsoons, earthquakes, fires, industrial explosions, floods, riots and other man-made or natural disasters, including acts of terrorism. In particular, our life insurance business is exposed to the risk of catastrophic mortality, such as an epidemic or other events that cause a large number of deaths. The incidence and severity of these catastrophes in any given period are inherently unpredictable. Our insurance business generally seeks to reduce its exposure through the purchase of reinsurance, through selective underwriting practices and by monitoring risk accumulation. Claims relating to catastrophes may result in unusually high levels of losses and may require additional capital to maintain solvency margins and could have a material adverse effect on our business, financial condition, results of operations and prospects.

***An actual or perceived reduction in our financial strength, or a downgrade in our credit ratings, could have a negative effect on us, and could increase deposit withdrawals and insurance policy surrenders and withdrawals, damage our business relationships and negatively impact sales of our products.***

Depositors' and policyholders' confidence in the financial strength of a bank or insurance company, as well as in the financial services industry generally, is an important factor affecting our business. Any actual or perceived reduction in our financial strength, whether due to a credit rating downgrade, a reduction in our solvency margin, or some other factor, could materially and adversely affect our business as any such development may, among other things:

- (a) increase the number of deposit withdrawals and insurance policy surrenders and withdrawals;
- (b) damage our relationship with our creditors, our customers and the distributors of our products;
- (c) negatively impact sales of our products;
- (d) require us to reduce prices for many of our products and services to remain competitive; and
- (e) increase our borrowing costs as well as affect our ability to obtain financing on a timely basis.

We have received long-term issuer ratings of "Aa1" from Moody's Investors Service, Inc. ("**Moody's**"), "AA-" from S&P Global Ratings ("**S&P**") and "AA-" from Fitch Ratings Ltd ("**Fitch**"). In addition, Moody's, and S&P each has a "Stable" outlook on our rating while Fitch has placed our outlook to Rating Watch Negative in April 2020 to reflect the increased near-term downside risks from the economic implications of the COVID-19 pandemic.

We cannot assure investors that we will not experience reductions in our financial strength, actual or perceived, in the future and which could materially and adversely affect the profitability of our treasury operations, our capital adequacy position, business, financial condition, results of operations and prospects.

***Damage to our reputation or brand names may have an adverse effect on our business.***

Maintaining our reputation is vital to our ability to attract and maintain customers, investors and employees. Our reputation could be damaged through a variety of circumstances, including, among others, employee fraud or other misconduct, systems failures, compliance failures, adverse litigation judgments or regulatory decisions, or unfavorable outcomes of governmental inspections. Negative media coverage of us or the banking or insurance industry, even if inaccurate or not applicable to us, may have a materially adverse effect on our brand image and

may undermine depositor confidence, thereby affecting our businesses and results of operations. Moreover, “OCBC”, “Bank of Singapore”, “Great Eastern Holdings” and our other brand names are important assets to us and any infringements of our brand names could reduce the value of goodwill associated with our names, result in the loss of competitive advantage and materially harm our business, results of operations and prospects. Actions by the financial services industry or the insurance industry generally or by certain members in the industry can also adversely affect customers’ confidence in the industries in which we operate. These reputational harms could lead to a decreased customer base, reduced income and higher operating costs and materially and adversely affect our business, financial condition, results of operations and prospects.

***Any inability to attract and retain talented professionals may adversely impact our business.***

Our business is growing more complex with geographic expansion internationally and product line expansion. Our continued success depends in part on the continued service of key members of our management team and our ability to continue to attract, train, motivate and retain highly qualified professionals, which are key elements of our strategy and which we believe to be a significant source of our competitive advantage. The successful implementation of our strategy depends on the availability of skilled management, both at our head office and at each of our business units and international locations and on our ability to attract and train young professionals. In addition, we rely substantially on the tied agency force of our insurance business for sales and distribution and any inability to effectively recruit newly qualified agents or retain and incentivize existing agents will hinder our insurance business’ productivity and growth as sales commission for life insurance products is, to a significant extent, attributable to the initial sale of each product and any failure to recruit, retain or motivate tied agents can have a material adverse effect on its ability to maintain and increase its premium volume and market share. If we or one of our business units, international operations or other functions fail to staff operations appropriately, or lose one or more key senior executives or qualified professionals and fail to replace them in a satisfactory and timely manner, our business, financial condition, results of operations and prospects, including our control and operational risks, may be materially and adversely affected. Likewise, if we fail to attract and appropriately train, motivate and retain young professionals or other talent, our business may likewise be affected.

***While our insurance business is an increasingly important part of our business, we do not directly manage its strategy and there can be no assurance of its future rates of growth or level of profitability.***

Great Eastern Holdings Limited (“**Great Eastern Holdings**”) is a significant contributor to our profit, accounting for 22.4% of our profit before income tax for the six months ended June 30, 2020 and 18.4% of our profit before income tax in the financial year ended December 31, 2019. It is a listed company with minority shareholders and its own board of directors. While OCBC Bank owned 87.9% of Great Eastern Holdings’ share capital as of June 30, 2020, OCBC Bank is represented on the board of Great Eastern Holdings and works closely with Great Eastern Holdings on certain aspects of our businesses to deliver synergies, Great Eastern Holdings’ business strategy and operations are managed separately by its own management team.

Moreover, there can be no assurance of the future rates of growth or level of profitability of our insurance business. The insurance industry in the Asia Pacific region may not expand or we may not succeed in increasing penetration into certain of the geographic markets in which we operate, as they may be or become saturated and exhibit low or no growth in the future. The growth and development of the life insurance and general insurance business in the Asia Pacific region is subject to industry trends and uncertainties that are beyond our control. Any slowdown in this business and, in particular, in the life insurance business could have a material adverse impact on our business, financial condition, results of operations and prospects.

***Loss reserves for our life insurance and general insurance businesses are based on estimates as to future claims liabilities and differences between actual claims and estimates or deviations from assumptions used to price our products could lead to further reserve additions and materially adversely affect our business, financial condition, results of operations and prospects.***

Our subsidiaries in the insurance business establish and carry reserves as balance sheet liabilities to pay future policyholder benefits and claims. The estimation of the ultimate liabilities arising from claims made under life and general insurance contracts involves several sources of uncertainty in the estimation of the liabilities that our insurance subsidiaries will ultimately be required to pay as claims.

For life insurance contracts, estimates are made for future deaths, disabilities, voluntary terminations, investment returns and administration expenses using “best estimate” actuarial policies and assumptions. Our insurance subsidiaries rely on standard industry reinsurance and national mortality tables which represent historical mortality experience, and make appropriate adjustments for their respective risk exposures in deriving the mortality and morbidity estimates. The assumptions they make include the assessment of the long-term development of interest rates, investment returns, the allocation of investments between equity, fixed income and other asset classes, mortality and morbidity rates, policyholder lapses and future expense levels.

The process of determining these assumptions and estimates is a difficult and complex exercise involving many variable and subjective judgments. In addition, we may lack sufficient data to make accurate estimates of the future benefits or claims experience, and significant deviations in actual experience from our assumptions could materially and adversely reduce our profitability.

In accordance with general insurance industry practice and accounting and regulatory requirements, our insurance subsidiaries establish reserves for loss and loss adjustment expenses related to their general insurance business. Reserves are based on estimates of future payments that will be made in respect of claims, including expenses relating to such claims, which requires estimates to be made for both the expected ultimate cost of claims reported at the balance sheet date and for the expected ultimate cost of claims incurred but not yet reported at the balance sheet date. However, the assumptions made by our insurance subsidiaries in these reserves may differ from what they may experience in the future, and could have a material adverse effect on our business, financial condition, results of operations and prospects.

***Compliance with solvency and risk-based capital requirements as well as other regulatory changes may impact our insurance subsidiaries.***

Insurance companies are generally required by applicable law to maintain their solvency at a level in excess of statutory minimum standards. Our subsidiaries in the insurance business are affected primarily by the solvency margins they are required to maintain, which is in turn affected by the volume and type of new insurance policies they sell, the composition of their in-force insurance policies and by regulations on the determination of statutory reserves. Their solvency is also affected by other factors, including the profit margin of their products, returns on their assets and investments, interest rates, underwriting and acquisition costs, and policyholder and shareholder dividends. The regulatory frameworks in Singapore, Malaysia and Indonesia currently utilize a risk-based capital regime.

Moreover, Great Eastern Holdings has been approved by the MAS as a financial holding company (“**Financial Holding Company**”) pursuant to Section 28 of the Monetary Authority of Singapore Act, Chapter 186 of Singapore (the “**MAS Act**”) and is subject to requirements imposed by the MAS. The Financial Holding Companies Act 2013 was gazetted on April 8, 2014 and will be applicable to Great Eastern Holdings when it comes into operation. The Financial Holding Companies Act 2013 contains provisions requiring Financial Holding Companies to, amongst other things, maintain minimum paid-up capital amounts, adhere to capital adequacy requirements, and leverage ratios.

International Association of Insurance Supervisors (“IAIS”) is a voluntary membership organization of insurance supervisors formed by more than 200 jurisdictions including Singapore. The IAIS announced its plans to develop a global Insurance Capital Standards (“ICS”) for Internationally Active Insurance Groups (“IAIGs”) on October 9, 2013. The ICS is a risk-based capital framework with the ultimate aim of establishing a single framework that will achieve comparable outcomes across various jurisdictions. The IAIS has begun a five-year ICS monitoring period starting from 2020. Great Eastern Holdings is deemed as an IAIG and the level of capital that it is required to maintain may be affected by the eventual implementation of the ICS.

SFRS(I) 17 was issued in May 2017 as replacement for SFRS(I) 4 Insurance Contracts and will be effective for annual periods beginning on or after January 1, 2021<sup>1</sup>. It is a comprehensive new accounting standard for insurance contracts covering recognition and measurement, presentation and disclosure. The Group plans to adopt SFRS(I) 17 on the required effective date and a Project Steering Committee was formed to oversee the implementation of the standard. The Group expects that SFRS(I) 17 will result in an important change to the accounting policies for insurance contract liabilities of the Group and is likely to have a significant impact on profit and total equity together with the Group’s financial statement presentation and disclosures.

***Any termination or disruption of our existing bancassurance relationships with Great Eastern Holdings may have a material adverse effect on our competitiveness and result in a material impact on our business, financial condition, results of operations and prospects.***

A key focus in developing our insurance product sales is through bancassurance. If our insurance subsidiaries fail to develop or maintain existing synergies with our banking segments and other segments of our Group, our competitiveness may be materially and adversely affected or we may not be able to maintain or grow our premiums, and our business, financial condition, results of operations and prospects may be materially and adversely impacted.

***Our insurance subsidiaries may not be able to obtain reinsurance successfully.***

The ability of our insurance subsidiaries to obtain external reinsurance on a timely basis and at a reasonable cost is subject to a number of factors, many of which may be beyond their control. In particular, certain risks that our insurance subsidiaries are subject to, such as epidemics, are difficult to reinsure. If our insurance subsidiaries are unable to renew any expiring external reinsurance coverage or obtain acceptable new external reinsurance coverage, their net risk exposure could increase or, if they are unwilling to bear an increase in net risk exposure, their overall underwriting capacity and the amount of risk they are able to underwrite would decrease. To the extent that our insurance subsidiaries are unable to utilize external reinsurance successfully, our business, financial condition, results of operations and prospects may be materially and adversely affected.

In addition, although a reinsurer would be liable to our insurance subsidiaries for the risk ceded through a reinsurance arrangement, such an arrangement does not discharge their primary liability to their policyholders. As a result, we are exposed to credit risk with respect to reinsurers in all of our insurance business. In particular, a default by one or more of our reinsurers under the reinsurance arrangements would increase the financial losses arising out of a risk we have insured, which would reduce our profitability and may have a material adverse effect on our liquidity position. There can be no assurance that our reinsurers will always be able to meet their obligations under reinsurance arrangements of our insurance subsidiaries on a timely basis, if at all. In addition, under a small number of reinsurance agreements, we receive payments from our reinsurers through brokers. We are consequently subject to the risk of non-payment from these brokers. If our reinsurers or brokers fail to pay our insurance subsidiaries on a timely basis, or at all, our business, financial condition, results of operations and prospects may be materially and adversely affected.

---

<sup>1</sup> Note: The International Accounting Standards Board published an amendments to IFRS 17 on June 25, 2020 and the effective date was extended to January 1, 2023 to allow industry players sufficient time to implement the standard.

***We may be involved in various litigation matters in the ordinary course of our business, and any final judgment awarding material damages against us could have a material adverse impact on our future financial performance.***

We face risks of litigation, regulatory investigations and similar actions in the ordinary course of our business, including the risk of lawsuits and other legal actions relating to suitability, sales or underwriting practices, product design, disclosure, administration, and breaches of fiduciary or other duties. Any such action may include claims for substantial or unspecified compensatory and punitive damages, as well as civil, regulatory or criminal proceedings against our directors, officers or employees, and the probability and amount of liability, if any, may remain unknown for significant periods of time. We are also subject to various regulatory inquiries, such as information requests and books and records examinations, from regulators and other authorities in the geographical markets in which we operate.

A substantial liability arising from a lawsuit judgment or a significant regulatory action against us or a disruption in our business arising from adverse adjudications in proceedings against our directors, officers or employees could have a material adverse effect on our business, financial condition, results of operations and prospects. Moreover, even if we ultimately prevail in the litigation, regulatory action or investigation, we could suffer significant harm to our reputation, which could materially affect our prospects and future growth.

***Changes in accounting principles relating to financial instruments may have an impact on the Group's financials and regulatory capital ratios.***

The OCBC Group is subject to risk around changes in accounting standards that may change the basis upon which the OCBC Group reports its financial results, and there can be no assurance that any such changes will not have a material adverse impact on the OCBC Group's financial statements in future periods.

With effect from January 1, 2018, the OCBC Group financial statements are prepared in accordance with SFRS(I) with full retrospective application of SFRS(I) effective for the financial year ending December 31, 2018. Accordingly, the financial statements of the OCBC Group are prepared in accordance with SFRS(I) from January 1, 2017.

With effect from January 1, 2018, Singapore Financial Reporting Standard (International) 9: Financial Instruments ("**SFRS(I) 9**") replaced Singapore Financial Reporting Standard 39 ("**FRS 39**") Financial Instruments: Recognition and Measurement. This revised accounting standard prescribes new accounting requirements for classification and measurement of financial instruments, a new expected credit loss model of measuring impairment of financial assets, and a new general hedge accounting requirements. Please refer to the notes to the OCBC Group's audited consolidated financial statements as at and for the year ended December 31, 2018 for a discussion on the impact of the adoption of SFRS(I) 9.

For the financial year ended December 31, 2017, the Group complied with FRS 39 with its loss provisioning requirements as modified by MAS Notice 612 where banks maintain, in addition to specific allowances, a prudent level of portfolio allowances of at least 1% of uncollateralized exposures.

The MAS issued the revised Notice 612 on December 29, 2017 (effective January 1, 2018) addressing the requirements for recognition of credit loss allowances in accordance with SFRS(I) 9 and imposing a requirement on locally-incorporated D-SIBs to maintain a minimum level of loss allowances for their non-credit-impaired exposures, of 1% of the exposures net of collaterals ("**Minimum Regulatory Loss Allowances**"). MAS Notice 612 provides that banks are to measure and recognize loss allowances for expected credit losses in accordance with the requirements of SFRS(I) 9 ("**Accounting Loss Allowance**"). Where the Accounting Loss Allowance falls below the Minimum Regulatory Loss Allowance, a locally-incorporated D-SIB is required to recognize the additional loss allowance by establishing a non-distributable regulatory loss allowance reserve through an appropriation of retained earnings.



***Singapore accounting and corporate disclosure standards may result in more limited disclosure than in other jurisdictions.***

Our Group is subject to the accounting standards and requirements of Singapore, which differ in certain material respects from those applicable to banks in certain other countries. Also, there may be less publicly available information about Singapore-listed companies than is regularly made available by or about listed companies in certain other countries. This Offering Memorandum does not include a reconciliation of our financial statements or of the financial statements of the Group to U.S. GAAP and there can be no assurance that such reconciliation would not identify material quantitative differences.

Investors should consult their own professional advisors for an understanding of the differences between SFRS(I) and U.S. GAAP, IFRS and the generally accepted accounting principles of other jurisdictions and how those differences might affect the financial information contained in this Offering Memorandum.

***We are subject to a statutory bail-in regime.***

On August 1, 2017, the Monetary Authority of Singapore (Amendment) Act 2017 (“**MAS Amendment Act**”) was gazetted. This sets out amendments to the MAS Act which aim to strengthen MAS’ powers in respect of the resolution and recovery of distressed financial institutions, and include provisions relating to temporary stays and suspensions, statutory bail-in powers, cross-border recognition of resolution actions, creditor compensation and resolution funding. The MAS Amendment Act has largely come into operation, and most of the relevant amendments relating to the resolution framework have come into force from October 29, 2018. To support the implementation of the changes, the Monetary Authority of Singapore (Resolution of Financial Institutions) Regulations 2018 (the “**RFI Regulations**”) have been issued and also took effect from October 29, 2018.

Pursuant to the MAS Amendment Act, the MAS is empowered under Division 4A of Part IVB of the MAS Act to write down or convert a financial institution’s debt into equity. The entities subject to the statutory bail-in powers of the MAS are presently limited to Singapore-incorporated banks and Singapore-incorporated bank holding companies (each a “**Division 4A financial institution**”). The classes of instruments subject to the bail-in are:

- (a) any equity instrument or other instrument that confers or represents a legal or beneficial ownership in the Division 4A financial institution except an ordinary share;
- (b) any unsecured liability or other unsecured debt instrument that is subordinated to unsecured creditors’ claims of the Division 4A financial institution that are not so subordinated; and
- (c) any instrument that provides for a right for the instrument to be written down, canceled, modified, changed in form or converted into shares or another instrument of ownership, when a specified event occurs,

but do not include any instrument issued before November 29, 2018, or a derivatives contract as defined in regulation 9(2) of the RFI Regulations.

In addition, the amendments empower the MAS to require financial institutions to prepare, review and keep up-to-date a recovery plan, to temporarily block counterparties’ rights to terminate contracts with financial institutions in resolution, and to recognize resolution actions taken by a foreign resolution authority on financial institutions in Singapore.

The implementation of the statutory bail-in regime could impact our future capital and funding structure and, accordingly, could affect our business.

## Risks Relating to the Notes

***The structure of a particular issue of Notes may carry particular risks compared with other Notes.***

A wide range of Notes may be issued under the Program. A number of these Notes may have features which contain particular risks for potential investors. Set out below is a description of certain such features:

**(a) Notes subject to optional redemption by us.**

An optional redemption feature is likely to limit the market value of Notes. During any period when we may elect to redeem Notes, the market value of those Notes generally will not rise substantially above the price at which they can be redeemed. This also may be true prior to any redemption period. If we redeem Notes when our cost of borrowing is lower than the interest rate (in respect of the Notes other than the Perpetual Capital Securities) or the Distribution rate (in respect of the Perpetual Capital Securities only), as applicable on the Notes, an investor generally would not be able to reinvest the redemption proceeds at an effective interest rate (in respect of the Notes other than the Perpetual Capital Securities) or the Distribution rate (in respect of the Perpetual Capital Securities only), as applicable, as high as the interest rate (in respect of the Notes other than the Perpetual Capital Securities) or the Distribution rate (in respect of the Perpetual Capital Securities only), as applicable, on the Notes being redeemed and may only be able to do so at a lower rate. Potential investors should consider reinvestment risk in light of other investments available at that time.

**(b) Partly-Paid Notes.**

We may issue Notes where the issue price is payable in more than one installment. Failure to pay any subsequent installment on a Partly-Paid Note could result in an investor losing all of its investment.

**(c) Fixed/Floating Rate Notes and Perpetual Capital Securities.**

Fixed/Floating Rate Notes and Perpetual Capital Securities may bear interest (in respect of the Notes other than the Perpetual Capital Securities) or Distributions (in respect of the Perpetual Capital Securities only), as applicable, at a rate that we may elect to convert from a fixed rate to a floating rate, or vice versa. Our ability to convert the interest rate (in respect of the Notes other than the Perpetual Capital Securities) or the Distribution rate (in respect of the Perpetual Capital Securities only), as applicable, will affect the secondary market and the market value of such Notes or, as the case may be, Perpetual Capital Securities since we may be expected to convert the rate when it is likely to produce a lower overall cost of borrowing. If we convert from a fixed rate to a floating rate in such circumstances, the spread on the Fixed/Floating Rate Notes or, as the case may be, Perpetual Capital Securities may be less favorable than the prevailing spreads on comparable Floating Rate Notes or, as the case may be, Perpetual Capital Securities tied to the same reference rate. In addition, the new floating rate at any time may be lower than the rates on other Notes or, as the case may be, Perpetual Capital Securities. If we convert from a floating rate to a fixed rate in such circumstances, the fixed rate may be lower than the prevailing rates on the Notes or, as the case may be, Perpetual Capital Securities.

(d) **Notes and Perpetual Capital Securities issued at a substantial discount or premium.**

The market values of securities issued at a substantial discount or premium to their nominal amount tend to fluctuate more in relation to general changes in interest rates (in respect of the Notes other than the Perpetual Capital Securities) or Distribution rates (in respect of the Perpetual Capital Securities only), as applicable than do prices for conventional interest-bearing (in respect of the Notes other than the Perpetual Capital Securities) or distribution-bearing (in respect of the Perpetual Capital Securities only), as applicable, securities. Generally, the longer the remaining term of the securities, the greater the price volatility as compared to conventional interest-bearing (in respect of the Notes other than the Perpetual Capital Securities) or distribution-bearing (in respect of the Perpetual Capital Securities only), as applicable, securities with comparable maturities.

***The Notes may not be a suitable investment for all investors.***

The Notes are complex and high risk instruments. Each potential investor in any Notes must determine the suitability of that investment in light of its own circumstances. In particular, each potential investor should:

- (a) have sufficient knowledge and experience to make a meaningful evaluation of the relevant Notes, the merits and risks of investing in the relevant Notes and the information contained or incorporated by reference in this Offering Memorandum or any applicable supplement;
- (b) have access to, and knowledge of, appropriate analytical tools to evaluate, in the context of its particular financial situation, an investment in the relevant Notes and the impact such investment will have on its overall investment portfolio;
- (c) have sufficient financial resources and liquidity to bear all of the risks of an investment in the relevant Notes, including where principal or interest or distribution is payable in one or more currencies, or where the currency for principal or interest or distribution payments is different from the potential investor's currency;
- (d) understand thoroughly the terms of the relevant Notes and be familiar with the behavior of any relevant indices and financial markets; and
- (e) be able to evaluate (either alone or with the help of a financial advisor) possible scenarios for economic, interest rate and other factors that may affect its investment and its ability to bear the applicable risks.

Sophisticated institutional investors generally do not purchase complex financial instruments as stand-alone investments. They purchase complex financial instruments as a way to reduce risk or enhance yield with an understood, measured and appropriate addition of risk to their overall portfolios. A potential investor should not invest in Notes which are complex financial instruments unless it has the expertise (either alone or with the help of a financial advisor) to evaluate how the Notes will perform under changing conditions, the resulting effects on the value of such Notes and the impact this investment will have on the potential investor's overall investment portfolio. Investors may also be subject to investment laws that constrain their ability to invest in the Notes. Investors should consult their own legal advisors before making an investment in the Notes.

***There are risks associated with modifying or amending the Conditions of the Notes by way of a meeting of the Noteholders or the Securityholders, as the case may be.***

The Note Conditions and the Perpetual Capital Security Conditions contain provisions for calling meetings of the Noteholders or the Securityholders, as the case may be, to consider matters affecting their interests generally. These provisions permit defined majorities to bind all the Noteholders or the Securityholders, as the case may be, including the Noteholders or the Securityholders, as the case may be, who did not attend and vote at the relevant meeting and the Noteholders or the Securityholders, as the case may be, who voted in a manner contrary to the majority.

***Limited rights of enforcement and subordination of the Subordinated Notes or the Perpetual Capital Securities, as applicable, could impair an investor's ability to enforce its rights or realize any claims on the Subordinated Notes or the Perpetual Capital Securities, as applicable.***

In most circumstances, the sole remedy against us available to the Trustee (on behalf of the holders of Subordinated Notes or the holders of the Perpetual Capital Securities, as applicable) to recover any amounts owing in respect of the principal of or interest on the Subordinated Notes or principal of or Distributions on the Perpetual Capital Securities, as applicable, will be to institute proceedings for our winding-up in Singapore. If we default on the payment of principal or interest on the Subordinated Notes or principal of or Distributions on the Perpetual Capital Securities, as applicable, the Trustee will only institute a proceeding in Singapore for our winding-up if it is so contractually obligated. The Trustee will have no right to accelerate payment of the Subordinated Notes or the Perpetual Capital Securities, as applicable, in the case of default in payment or failure to perform a covenant except so provided in the Conditions and in the Trust Deed.

The Subordinated Notes and the Perpetual Capital Securities will be unsecured and subordinated obligations of ours and will rank junior in priority to the claims of Senior Creditors (as defined in the Note Conditions (in respect of the Subordinated Notes) and Perpetual Capital Securities Conditions (in respect of the Perpetual Capital Securities only), as applicable). Upon the occurrence of any winding-up proceeding, the rights of the holders of the Subordinated Notes or the Perpetual Capital Securities, as applicable, to payments on such Subordinated Notes or the Perpetual Capital Securities, as applicable, will be subordinated in right of payment to the prior payment in full of all of our deposits and other liabilities, as applicable, except those liabilities which rank equally with or junior to the Subordinated Notes or the Perpetual Capital Securities, as applicable. In a winding-up proceeding, the holders of the Subordinated Notes and the Perpetual Capital Securities, as applicable, may recover less than the holders of deposit liabilities or the holders of other unsubordinated liabilities of ours, as applicable. As there is no precedent for a winding-up of a major financial institution in Singapore, there is uncertainty as to the manner in which such a proceeding would occur and the results thereof. An investor in the Subordinated Notes or the Perpetual Capital Securities, as applicable, may lose all or some of his investment should we become insolvent.

***The Trust Deed and the Notes do not contain any restrictions on our ability to pledge, dispose or securitize our assets, pay dividends, incur additional debt, repurchase our securities or take other actions that could negatively impact Noteholders or Securityholders, as the case may be, and provide Noteholders or Securityholders, as the case may be, with limited protection in the event of a change in control.***

The Trust Deed and the Notes do not contain any restrictions on our ability to incur indebtedness, including issue new secured and unsecured debt, repurchase our outstanding securities, pledge assets to secure other indebtedness, securitize our loan assets, or sell or otherwise dispose of substantially all of our assets, or pay dividends on our shares of common stock. These or other actions by us could adversely affect our ability to pay amounts due on the Notes. In addition, the Trust Deed and the Notes do not contain any covenants requiring us to achieve or maintain any minimum financial results relating to our financial position or results of operations.

***The terms of the Subordinated Notes and the Perpetual Capital Securities will contain non-viability loss absorption provisions, and the occurrence of a Trigger Event may be inherently unpredictable and beyond our control.***

MAS Notice 637 provides that the terms of all Additional Tier 1 and Tier 2 capital instruments must be loss absorbing at the point of non-viability. In this regard, the terms of all Additional Tier 1 and Tier 2 capital instruments, issued from January 1, 2013 onwards, require a provision that such instruments at the option of the MAS to be either written off or converted into ordinary shares upon the occurrence of a Trigger Event (as defined below). The applicable Pricing Supplement will specify whether the conversion option or the write-off option will apply upon the occurrence of the Trigger Event. The Trigger Event would occur on the earlier of:

- (a) the MAS notifying the Issuer in writing that the MAS is of the opinion that a write-off or conversion is necessary, without which the Issuer would become non-viable; and
- (b) a MAS decision to make a public-sector injection of capital, or equivalent support, without which the Issuer would have become non-viable, as determined by the MAS,

(for the purposes of this Offering Memorandum, each a “**Trigger Event**”).

To the extent that a series of Subordinated Notes or Perpetual Capital Securities, as applicable, contains provisions relating to loss absorption, upon the occurrence of a Trigger Event relating to us as determined by the MAS, we may be required, subject to the terms of the relevant series of Subordinated Notes or Perpetual Capital Securities, as applicable, irrevocably (without the need for the consent of the holders of such Subordinated Notes or Perpetual Capital Securities, as applicable) to effect either a full or partial write-off of the outstanding principal and accrued and unpaid interest in respect of such Subordinated Notes or accrued and unpaid Distributions in respect of such Perpetual Capital Securities, as applicable, or a conversion of such Subordinated Notes or Perpetual Capital Securities, as applicable, into our ordinary shares.

To the extent relevant in the event that such Subordinated Notes or Perpetual Capital Securities, as applicable, are written off, any written-off amount shall be irrevocably lost and holders of such Subordinated Notes or Perpetual Capital Securities, as applicable, will cease to have any claims for any principal amount and accrued but unpaid interest (in respect of the Notes other than the Perpetual Capital Securities) or any principal amount and accrued but unpaid Distributions (in respect of the Perpetual Capital Securities only), as applicable, which has been subject to write-off. No Noteholder or Securityholder may exercise, claim or plead any right to any amount written-off, and each Noteholder or Securityholder shall be deemed to have waived all such rights to such amounts written-off. Furthermore, the requirement for conversion or write-off upon the occurrence of a Trigger Event does not apply to subordinated debt issued by us prior to January 1, 2013, and accordingly the holders of Subordinated Notes or Perpetual Capital Securities, as applicable, issued under this Offering Memorandum are likely to be in a worse position in the event we become non-viable than holders of subordinated debt issued by us in the past and which does not include mandatory conversion or write-off features.

In the event that such Subordinated Notes or Perpetual Capital Securities, as applicable, feature a conversion to our ordinary shares upon the occurrence of a Trigger Event, on such terms as may be set forth in the applicable Pricing Supplement, we will be required, upon the occurrence of a Trigger Event, to convert some or all of the nominal amount of the Subordinated Notes or Perpetual Capital Securities, as applicable, into ordinary shares which may be worth significantly less than the investor’s Subordinated Notes or Perpetual Capital Securities, as applicable. In such circumstances, holders will not be entitled to any reconversion of ordinary shares to Subordinated Notes or Perpetual Capital Securities, as applicable. Investors in Subordinated Notes or Perpetual Capital Securities, as applicable, featuring such conversion to our ordinary shares may be subject to additional risks as set forth in the applicable Pricing Supplement with respect to any such Subordinated Notes or Perpetual Capital Securities, as applicable.

A write-off or conversion of Subordinated Notes or Perpetual Capital Securities, as applicable, will not constitute an event of default with respect to such Subordinated Notes under the relevant Conditions.

As the Trigger Event would be determined by the MAS, the write-off or conversion into ordinary shares may occur in circumstances beyond our control and with which we do not agree. While the MAS has set out a list of factors that it may take into account in assessing viability, it is not an exhaustive list and, ultimately, the circumstances in which the MAS may exercise its discretion are not limited. Due to the inherent uncertainty regarding the determination of whether a Trigger Event exists, it will be difficult to predict when, if at all, a write-off or conversion into ordinary shares will occur. Accordingly, the trading behavior in respect of Subordinated Notes or Perpetual Capital Securities, as applicable, which have the non-viability loss absorption feature is not necessarily expected to follow trading behavior associated with other types of securities. Any indication that we are trending towards a Trigger Event could have a material adverse effect on the market price of the relevant Subordinated Notes or Perpetual Capital Securities, as applicable.

Potential investors should consider the risk that a holder of Subordinated Notes or Perpetual Capital Securities, as applicable, which have the non-viability loss absorption feature may lose all of their investment in such Subordinated Notes or Perpetual Capital Securities, as applicable, including the principal amount plus any accrued but unpaid interest (in respect of the Notes other than the Perpetual Capital Securities) or the principal amounts plus any accrued but unpaid Distributions (in respect of the Perpetual Capital Securities only), as applicable, in the event that a Trigger Event occurs.

In addition, there is no assurance that the MAS will not implement non-viability loss absorption requirements which are different from those currently envisaged for Singapore-incorporated banks.

Subordinated Notes or Perpetual Capital Securities, as applicable, that include a loss absorption feature are novel and complex financial instruments. Sophisticated institutional investors generally do not purchase complex financial instruments as stand-alone investments. They purchase complex financial instruments as a way of reducing risk or enhancing yield with an understood, measured, appropriate addition of risk to their overall portfolios. A potential investor should not invest in such Subordinated Notes or Perpetual Capital Securities, as applicable, unless it has the knowledge and expertise (either alone or with a financial adviser) to evaluate how the Notes will perform under changing conditions, the resulting effects on the likelihood of a write off or conversion and the value of such Subordinated Notes or Perpetual Capital Securities, as applicable, and the impact this investment will have on the potential investor's overall investment portfolio. Prior to making an investment decision, potential investors should consider carefully, in light of their own financial circumstances and investment objectives, all the information contained in this Offering Memorandum or incorporated by reference herein.

***The Subordinated Notes and the Perpetual Capital Securities, as applicable, may be subject to a full or partial Write-off or modification or change in form upon the occurrence of a Trigger Event or issuance of a Bail-in Certificate, as applicable.***

Investors may lose the entire amount of their investment in any Subordinated Notes or Perpetual Capital Securities, as applicable, in which Write-off is specified as the applicable loss absorption option upon the occurrence of a Trigger Event, which will lead to a full or partial Write-off upon the occurrence of such Trigger Event. Separately, investors may also lose part or all of their investment in any Subordinated Notes or Perpetual Capital Securities, as applicable, as a result of the cancellation, modification, conversion and/or change in form of such Subordinated Notes or Perpetual Capital Securities, as applicable, should a Bail-in Certificate be issued. Upon the occurrence of a Write-off or if so specified in a Bail-in Certificate, the principal amount and any accrued but unpaid interest of such Subordinated Notes or Distributions of such Perpetual Capital

Securities, will automatically be written down and if there is a full Write-off, the principal amount and any accrued but unpaid interest of such Subordinated Notes or Distributions of such Perpetual Capital Securities, as applicable, may be written down completely and such Subordinated Notes or Perpetual Capital Securities, as applicable, will be canceled.

In addition, the subordination provisions set out in Note Condition 3(c) (in respect of the Subordinated Notes) and Perpetual Capital Securities Condition 3(b) (in respect of the Perpetual Capital Securities only) are effective only upon the occurrence of any winding-up proceedings of the relevant Issuer. In the event that a Trigger Event occurs or if so specified in a Bail-in Certificate, the rights of holders of Subordinated Notes or Perpetual Capital Securities, as applicable, shall be subject to Note Condition 6 (in respect of Subordinated Notes) and Perpetual Capital Securities Condition 7 (in respect of the Perpetual Capital Securities only). This may result in a less favorable outcome for holders of Subordinated Notes or holders of the Perpetual Capital Securities, as applicable, subject to a Write-off or conversion (a) than that which would otherwise occur under Note Condition 3(c) (in respect of the Subordinated Notes) and Perpetual Capital Securities Condition 3(b) (in respect of the Perpetual Capital Securities only) upon the occurrence of any winding-up proceedings of the relevant Issuer or (b) compared to holders of securities that otherwise rank *pari passu* or junior to such Noteholders or Securityholders, as applicable, but which are not subject to a full or partial Write-off or conversion. See “– The terms of the Subordinated Notes and the Perpetual Capital Securities will contain non-viability loss absorption provisions, and the occurrence of a Trigger Event may be inherently unpredictable and beyond our control”.

Furthermore, upon the occurrence of a Write-off of any Subordinated Notes or Perpetual Capital Securities, as applicable, or if so specified in a Bail-in Certificate the right to receive interest on such Subordinated Notes or Distributions on such Perpetual Capital Securities, as applicable, will cease to accrue and all interest amounts on such Subordinated Notes and Distribution amounts on such Perpetual Capital Securities, as applicable, that were not due and payable prior to the Write-off shall become null and void. Consequently, the Noteholders and the Securityholders will not be entitled to receive any interest that has accrued on such Subordinated Notes or Perpetual Capital Securities, as applicable, from (and including) the last Interest Payment Date (in respect of the Subordinated Notes) or the last Distribution Payment Date (in respect of the Perpetual Capital Securities only) falling on or prior to the Trigger Event Notice or if so specified in a Bail-in Certificate.

Any such Write-off or cancellation under the terms of a Bail-in Certificate will be irrevocable and the Noteholders or the Securityholders, as the case may be, will, upon the occurrence of a Write-off or if so specified in a Bail-in Certificate, not receive any of our shares or other participation rights, or be entitled to any other participation in the upside potential of any equity or debt securities issued by us or be entitled to any subsequent write-up or any other compensation in the event of our potential recovery.

***The resolution regime in Singapore may override the contract terms of the Subordinated Notes and the Perpetual Capital Securities, and the exercise of bail-in powers may be beyond the control of the relevant Issuer.***

Pursuant to the MAS Act and the MAS Regulations, should a Bail-in Certificate be issued, the Subordinated Notes and the Perpetual Capital Securities may be subject to cancellation, modification, conversion and/or change in form.

Holders of Subordinated Notes or Perpetual Capital Securities and the Trustee, as applicable, are deemed to agree to be bound by the terms of a Bail-in Certificate. Accordingly, the rights of such holders are subject to, and will be amended and varied (if necessary), solely to give effect to, the exercise of the MAS' powers under Division 4A of Part IVB of the MAS Act.

The determination of the viability of the relevant Issuer and the exercise of the MAS' powers is largely at the discretion of the MAS. While the MAS must have regard to the desirability of giving a pre-resolution creditor the priority and treatment that the pre-resolution creditor would have enjoyed had the Division 4A financial institution been wound up, the MAS may also consider other factors in determining whether to exercise its powers in accordance with this principle.

Potential investors should consider the risk that a holder of Subordinated Notes or Perpetual Capital Securities, as applicable, may lose all of their investment in such Subordinated Notes or Perpetual Capital Securities, as applicable, including the principal amount plus any accrued but unpaid interest (in respect of Notes other than Perpetual Capital Securities) or the principal amount plus any accrued but unpaid Distributions (in respect of Perpetual Capital Securities only), as applicable, in the event that a Bail-in Certificate is issued or undergo a change in form in their investment in line with the powers of the MAS to do so.

The issue of a Bail-in Certificate may depend on a number of factors which may be outside of the relevant Issuer's or the OCBC Group's (as applicable) control. The MAS may require or may cause the Subordinated Notes or the Perpetual Capital Securities to be subject to cancellation, modification, conversion and/or change in form in circumstances that are beyond the control of the relevant Issuer or the OCBC Group (as applicable) and with which neither the relevant Issuer or the OCBC Group (as applicable) agree.

***The terms and conditions of the Subordinated Notes and the Perpetual Capital Securities may provide for multiplicity of actions in the event of enforcement.***

The terms and conditions of the Subordinated Notes and the Perpetual Capital Securities (other than those that are to be governed exclusively by Singapore law) provide that they shall be governed by English law and that disputes arising in relation thereto shall be subject to the jurisdiction of the English courts, except for the provisions relating to the subordination of such Subordinated Notes or Perpetual Capital Securities, which shall be governed by Singapore law and subject to the exclusive jurisdiction of the Singapore courts in the event of a dispute. As such, in the event of an enforcement of those Subordinated Notes or Perpetual Capital Securities, the Trustee or the holders may need to commence separate actions in the English and Singapore courts in relation to a single claim. While the English courts and the Singapore courts may defer the relevant part of the claim to the other court, the two claims are inherently linked and there is no certainty as to the approach that the two court systems would take in relation to those separate claims and proceedings, and, therefore, the process and procedures for action and the ultimate manner of judgment would be uncertain. This multiplicity of proceedings and lack of certainty could adversely affect the Trustee's or the holders' claims and the enforcement thereof and could introduce delays into the process of enforcement of those claims.

***The Perpetual Capital Securities are perpetual securities and Securityholders have no right to require redemption.***

The Perpetual Capital Securities are perpetual and have no maturity date. Securityholders have no ability to require the Issuer to redeem the Perpetual Capital Securities. The Issuer can redeem the Perpetual Capital Securities in certain circumstances as described in "Terms and Conditions of the Perpetual Capital Securities", but the Issuer is under no obligation to redeem the Perpetual Capital Securities at any time. The Issuer's ability to redeem Perpetual Capital Securities is subject to the Issuer obtaining the prior written consent of the MAS (if then required) to the redemption, and satisfying any conditions that the MAS may impose at that time.



This means that Securityholders have no ability to cash in their investment, except if the Issuer exercises its right to redeem the Perpetual Capital Securities or by Securityholders selling their Perpetual Capital Securities in the open market. There can be no guarantee that the Issuer will exercise its right to redeem the Perpetual Capital Securities or will be able to meet the conditions for redemption of the Perpetual Capital Securities.

Securityholders who wish to sell their Perpetual Capital Securities may be unable to do so at a price at or above the amount they have paid for them, or at all, if insufficient liquidity exists in the market for the Perpetual Capital Securities.

In addition, upon the occurrence of a certain tax events or a Change of Qualification Event, the Perpetual Capital Securities may be redeemed at the relevant Early Redemption Amount, as more particularly described in “Terms and Conditions of the Perpetual Capital Securities”. If any Trigger Event has occurred or a Bail-in Certificate has been issued since the Issue Date, as more fully described in “Risk Factors – Risks Relating to the Notes – The Subordinated Notes and the Perpetual Capital Securities, as applicable, may be subject to a full or partial Write-off or modification or change in form upon the occurrence of a Trigger Event or issuance of a Bail-in Certificate, as applicable”, Securityholders may lose up to the full principal amount of the Perpetual Capital Securities.

There can be no assurance that Securityholders will be able to reinvest the amount received upon redemption at a rate that will provide the same rate of return as their investment in the Perpetual Capital Securities.

***Payments of Distribution on the Perpetual Capital Securities are discretionary and such Distributions are non-cumulative.***

Payment of Distributions on any Distribution Payment Date is at the sole discretion of the Issuer. Subject to the Perpetual Capital Securities Conditions, the Issuer may elect to cancel any Distribution on any Distribution Payment Date. The Issuer may make such election for any reason. In addition, the Issuer will not be obliged to pay, and will not pay, any Distribution if:

- (a) the Issuer is prevented by applicable Singapore banking regulations or other requirements of the MAS from making payment in full of dividends or other distributions when due on its Additional Tier 1 Capital Securities;
- (b) the Issuer is unable to make such payment of dividends or other distributions on its Additional Tier 1 Capital Securities without causing a breach of the MAS’ consolidated or unconsolidated capital adequacy requirements set out in MAS Notice 637; or
- (c) the aggregate of the amount of the Distribution (if paid in full), together with the sum of any other dividends and other distributions originally scheduled to be paid (whether or not paid in whole or part) during the Issuer’s then-current fiscal year on the Perpetual Capital Securities or its Additional Tier 1 Capital Securities, would exceed the Distributable Reserves as of the Distribution Determination Date.

Any Distributions which are not paid on the applicable Distribution Payment Date shall not accumulate or be payable at any time thereafter, whether or not funds are, or subsequently become, available. Securityholders will have no right thereto whether in a bankruptcy or dissolution as a result of the Issuer’s insolvency or otherwise.

Therefore, any Distributions not paid will be lost and the Issuer will have no obligation to make payment of such Distributions or to pay interest thereon. If Distributions are not paid for whatever reason, the Perpetual Capital Securities may trade at a lower price. If a Securityholder sells its Perpetual Capital Securities during such a period, such Securityholder may not receive the same return on investment as a Securityholder who continues to hold its Perpetual Capital Securities until Distributions are resumed.

***Our ability to make payments in respect of the Notes may depend upon the performance of contractual obligations of other parties to the transaction documents.***

Our ability to make payments in respect of the Notes may depend upon the due performance of the respective obligations of the other parties to the transaction documents, including the performance by the Trustee, the Issuing and Paying Agents, the CMU Lodging and Paying Agent, the CDP Paying Agent, the U.S. Paying Agent, the Transfer Agents, the Registrars and/or the Calculation Agent of their respective obligations. While the non-performance of any relevant parties will not relieve us of our obligations to make payments in respect of the Notes, we may not, in such circumstances, be able to fulfill our obligations to the Noteholders, Receiptholders and the Couponholders or, as the case may be, the Securityholders.

***We and the Noteholders or the Securityholders, as the case may be, may face certain risks associated with any changes to English law, Singapore law, Australian law or administrative practice after the date of the issue of the relevant Notes.***

The terms and conditions of the Notes (other than AMTNs) are based on English law or Singapore law and, in the case of AMTNs, the law of New South Wales, Australia in effect as at the date of issue of the relevant Notes (save for, in the case of Notes (other than AMTNs) based on English law, certain Note Conditions or Perpetual Capital Securities Conditions, which shall be governed by and construed in accordance with the law of the Republic of Singapore). No assurance can be given as to the impact of any possible judicial decision or change to English law, Singapore law, Australian law or administrative practice after the date of issue of the relevant Notes.

***Limited liquidity of the Notes may affect the market price of the Notes.***

The Notes will not be registered under the Securities Act or the securities or blue sky laws of any state of the United States. The Notes are being offered, and may be resold outside of the United States within the meaning of and in compliance with Regulation S under the Securities Act. The Notes may also be offered, and may be resold, within the United States to institutional investors that qualify as “qualified institutional buyers”, within the meaning of and in compliance with Rule 144A under the Securities Act; or pursuant to another exemption from the registration requirements of the Securities Act. Consequently, the Notes are subject to restrictions on transfer and resale.

Application may be made to list the Notes on the Official List of the SGX-ST. However, if for any reason the Notes are not listed, the liquidity of the Notes may be negatively impacted.

The Notes may have no established trading market when issued, and one may never develop. If a market does develop, it may not be liquid. Therefore, investors may not be able to sell their Notes easily or at prices that will provide them with a yield comparable to similar investments that have a developed secondary market. This is particularly the case for Notes that are especially sensitive to interest rate, currency, credit or market risks, and/or are designed for specific investment objectives or strategies or have been structured to meet the investment requirements of limited categories of investors. These types of Notes generally would have a more limited secondary market and more price volatility than conventional debt securities. Illiquidity may have an adverse effect on the market value of the Notes. Even if the Notes are traded, they may trade at a discount from their initial issue price, depending on prevailing interest rates, the market for similar securities, our performance and other factors.

The Dealers have made no commitment and have no obligation to make a market in the Notes. Therefore, no assurance can be given that any Dealer will actually make a market in any Notes that are issued under the Program, or if it does, that it will continue to make a market in the future. No assurance can be given that an active trading market for any Notes will develop and therefore the liquidity of the Notes may be considerably less than for comparable debt securities.

***We may vary the terms of Subordinated Notes or the Perpetual Capital Securities.***

We may, without the consent or approval of the Noteholders or the Securityholders, as the case may be, but subject to the prior approval of the MAS (to the extent that any variation would affect the eligibility of any Subordinated Notes as Tier 2 Capital Securities or the eligibility of the Perpetual Capital Securities as Additional Tier 1 Capital Securities of the Issuer, as applicable), vary the terms of any Subordinated Notes or Perpetual Capital Securities, as applicable, so that they remain or, as appropriate, become Qualifying Securities, subject to certain conditions. The terms of such varied Subordinated Notes or Perpetual Capital Securities, as applicable, may contain one or more provisions, including, without limitation, the maturity date that are substantially different from the terms of the original Notes, provided that the Subordinated Notes or the Perpetual Capital Securities, as applicable, become or remain Qualifying Securities in accordance with the relevant Conditions. While we cannot make changes to the terms of the Subordinated Notes or the Perpetual Capital Securities, as applicable, that give rise to any right of the Issuer to redeem the varied securities that are inconsistent with the redemption provisions of such Subordinated Notes or the Perpetual Capital Securities, as applicable, that result in a Tax Event or Capital Event, or which do not comply with the rules of any stock exchange on which such Subordinated Note or the Perpetual Capital Security, as applicable, may be listed or admitted to trading, and following such variation the resulting securities must have at least, *inter alia*, the same ranking, interest rate, interest payment dates, redemption rights, existing rights to accrued interest which has not been paid and be assigned the same ratings as the Subordinated Notes, no assurance can be given as to whether any of these changes will negatively affect any particular Noteholder or Securityholder. Furthermore, the Trustee has no obligation or ability to verify whether the requirements for such variations have been satisfied, and will have no discretion in determining whether any such variation results in terms that are materially less favorable to Noteholders or Securityholders, as the case may be. Any such variation may be treated as a deemed exchange of existing Notes for newly issued Notes for U.S. federal income tax purposes, which could cause U.S. Holders (as defined in “Taxation – Certain United States Federal Income Tax Considerations”) of such Notes to recognize gain or loss for U.S. federal income tax purposes. In addition, the tax and stamp duty consequences of holding such varied Notes could be different for some categories of Noteholder from the tax and stamp duty consequences for them of holding the Notes prior to such variation.

***Upon the occurrence of a Trigger Event or the issue of a Bail-in Certificate, clearance and settlement of the Subordinated Notes and the Perpetual Capital Securities will be suspended and there may be a delay in updating the records of the relevant clearing system to reflect the amount written-off or the effect of the Bail-in Certificate.***

Following the receipt of a Trigger Event Notice or notice of issue of a Bail-in Certificate, all clearance and settlement of the Subordinated Notes or the Perpetual Capital Securities, as applicable, will be suspended. As a result, the Noteholders or the Securityholders, as the case may be, will not be able to settle the transfer of any Subordinated Notes or Perpetual Capital Securities, as applicable, from the commencement of the Suspension Period (as defined in the relevant Conditions), and any sale or other transfer of the Subordinated Notes or Perpetual Capital Securities that a holder may have initiated prior to the commencement of the Suspension Period that is scheduled to settle during the Suspension Period will be rejected by the relevant clearing system and will not be settled within the relevant clearing systems.

While a Tranche of Subordinated Notes or Perpetual Capital Securities, as applicable, that contains non-viability loss absorption provisions is represented by one or more Global Notes or Global Certificates and a Trigger Event occurs or a Bail-in Certificate is issued, the records of Euroclear and Clearstream or any other clearing system (other than the CMU) in respect of their respective participants' position held in such Tranche of Subordinated Notes or Perpetual Capital Securities, as applicable, may not be immediately updated to reflect the amount to be written-off (where applicable) or the effect of the Bail-in Certificate and may continue to reflect the nominal

amount of such Subordinated Notes or Perpetual Capital Securities, as applicable, prior to the Write-off or the issue of a Bail-in Certificate as being outstanding, for a period of time. The update process of the relevant clearing system may only be completed after the date on which the Write-off is scheduled or the Bail-in Certificate has been effected. Notwithstanding such delay, holders of such Subordinated Notes or Perpetual Capital Securities, as applicable, may lose the entire value of their investment in such Subordinated Notes or Perpetual Capital Securities, as applicable, on the date on which the Write-off occurs or when the Bail-in Certificate has been effected. No assurance can be given as to the period of time required by the relevant clearing system to complete the update of their records. Further, the conveyance of notices and other communications by the relevant clearing system to their respective participants, by those participants to their respective indirect participants, and by the participants and indirect participants to beneficial owners of interests in the Global Note or Global Certificate will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time.

***Any credit ratings on the Notes do not address all risks relating to an investment in the Notes, and a downgrade in ratings may affect the market price and liquidity of the Notes.***

A credit rating is not a recommendation to buy, sell or hold securities and may be subject to revision, suspension, downgrade or withdrawal at any time by the assigning rating organization. Not all issues of Notes may be rated and such ratings are limited in scope, and do not address all material risks relating to an investment in the Notes, but reflect only the view of each rating agency at the time the rating is issued. There is no assurance that such credit ratings will remain in effect for any given period of time or that such ratings will not be revised, downgraded, suspended or withdrawn entirely by the rating agencies. In addition, any of such actions by the rating agencies could reduce the number of potential investors of the Notes and adversely affect the prices and liquidity of the Notes.

***The book-entry registration system of the Notes may reduce the liquidity of any secondary market for the Notes and may limit the receipt of payments by the beneficial owners of the Notes.***

Because transfers of interests in the Global Notes or Global Certificates can be effected only through book entries at Clearstream, Euroclear, CDP or the CMU in the case of the Global Notes or Global Certificates to be issued in reliance on Regulation S, or DTC, in the case of the Global Certificates to be issued in reliance on Rule 144A, for the accounts of their respective participants, the liquidity of any secondary market for Global Notes or Global Certificates may be reduced to the extent that some investors are unwilling to hold Notes in book-entry form in the name of a Clearstream, Euroclear, CDP, the CMU or DTC participant. The ability to pledge interests in the Global Notes or Global Certificates may be limited due to the lack of a physical certificate. Beneficial owners of Global Notes or Global Certificates may, in certain cases, experience delay in the receipt of payments of principal and interest (in respect of the Notes other than the Perpetual Capital Securities) or Distributions (in respect of Perpetual Capital Securities only), as applicable, since such payments will be forwarded by the paying agent to Clearstream, Euroclear or DTC, as applicable, who will then forward payment to their respective participants, who (if not themselves the beneficial owners) will thereafter forward payments to the beneficial owners of the interests in the Global Notes or Global Certificates. In the event of the insolvency of Clearstream, Euroclear, CDP, the CMU, DTC or any of their respective participants in whose name interests in the Global Notes or Global Certificates are recorded, the ability of beneficial owners to obtain timely or ultimate payment of principal and interest (in respect of the Notes other than the Perpetual Capital Securities) or Distributions (in respect of Perpetual Capital Securities only), as applicable, on Global Notes or Global Certificates may be impaired.

***Where the AMTNs are lodged with the Austraclear System, investors will have to rely on the procedures of Austraclear for transfer, payment and communication with us.***

AMTNs will be issued in registered certificated form. Each Tranche of AMTNs will be represented by an AMTN Certificate. Each AMTN Certificate is a certificate representing the AMTNs of a particular Tranche and will be substantially in the form set out in the Note (AMTN) Deed Poll, duly completed and signed by us and authenticated by the Registrar in respect of AMTNs. An AMTN Certificate is not a negotiable instrument nor is it a document of title. Title to any AMTNs, which is the subject of an AMTN Certificate, is evidenced by entry in the Register and, in the event of a conflict, the Register shall prevail (subject to correction for fraud or proven error).

We may procure that the AMTNs are lodged with the Austraclear System. On lodgment, Austraclear will become the sole registered holder and legal owner of the AMTNs. Subject to the rules and regulations known as the “Austraclear System Regulations” established by Austraclear (as amended or replaced from time to time) to govern the use of the Austraclear System, participants of the Austraclear System (“**Accountholders**”) may acquire rights against Austraclear in relation to those AMTNs as beneficial owners and Austraclear is required to deal with the AMTNs in accordance with the directions and instructions of the Accountholders. Investors in AMTNs who are not Accountholders would need to hold their interest in the relevant AMTNs through a nominee who is an Accountholder. All payments made by us in respect of AMTNs lodged with the Austraclear System will be made directly to an account agreed with Austraclear or as it directs in accordance with the Austraclear System Regulations.

Where the AMTNs are lodged with the Austraclear System, any transfer of AMTNs will be subject to the Austraclear System Regulations. Secondary market sales of AMTNs cleared through the Austraclear System will be settled in accordance with the Austraclear System Regulations.

***Investors may experience difficulties in effecting service of legal process, recovering in civil proceedings for United States securities laws violations, enforcing foreign judgments or bringing original actions against us or our management in Singapore, Malaysia, Indonesia, Greater China or any of the jurisdictions in which our subsidiaries are incorporated or operate based on United States or other foreign laws.***

We are a company with limited liability incorporated under the laws of Singapore and substantially all of our assets are located outside the United States. In addition, most or all of our directors and executive officers reside outside the United States, and a substantial portion of their assets are located outside of the United States. We conduct a substantial majority of our operations in Singapore and Malaysia and significantly all of our or our subsidiaries’ assets are located in Singapore, Malaysia, Greater China and Indonesia. We have been advised by Allen & Gledhill LLP, our Singapore counsel, that judgments of U.S. courts based upon the civil liability provisions of federal or state securities laws are not enforceable in Singapore courts and that there is doubt as to whether Singapore courts will enter judgments in original actions brought in Singapore courts of civil liabilities predicated solely upon the U.S. federal or state securities laws.

As a result, it may not be possible for investors to effect service of process within the United States upon us or our subsidiaries or any of our respective directors and executive officers, or to enforce any judgments obtained in U.S. courts predicated upon civil liability provisions of the U.S. securities laws. In addition, we cannot assure investors that civil liabilities predicated upon the federal or state securities laws of the United States will be enforceable in such jurisdictions. See “Enforceability of Judgments”.

***We may not continue to enjoy tax concessions under Singapore tax laws.***

The Notes to be issued from time to time under the Program during the period from the date of this Offering Memorandum to December 31, 2023 are intended to be “qualifying debt securities” for the purposes of the Income Tax Act, Chapter 134 of Singapore (“ITA”) subject to the fulfillment of certain conditions more particularly described in the section “Taxation – Singapore Taxation”.

However, there is no assurance that such Notes will continue to enjoy the tax concessions in connection therewith should the relevant tax laws be amended or revoked at any time.

***Tax treatment of Subordinated Notes or Perpetual Capital Securities that contain non-viability loss absorption provisions is unclear.***

It is not clear whether any particular Tranche of the Subordinated Notes or the Perpetual Capital Securities, as applicable, which contains non-viability loss absorption provisions will be regarded as debt securities by the Inland Revenue Authority of Singapore (“IRAS”) for the purposes of the ITA and whether the tax concessions available for qualifying debt securities under the Qualifying Debt Securities Scheme (as set out in “Taxation – Singapore Taxation”) would apply to such Tranche of the Subordinated Notes or Perpetual Capital Securities, as applicable.

If any Tranche of the Subordinated Notes or the Perpetual Capital Securities, as applicable, is not regarded as debt securities for the purposes of the ITA and/or holders thereof are not eligible for the tax concessions under the Qualifying Debt Securities Scheme, the tax treatment to holders may differ. Investors and holders of any Tranche of the Subordinated Notes or the Perpetual Capital Securities, as applicable, should consult their own accounting and tax advisors regarding the Singapore income tax consequences of their acquisition, holding and disposal of such Tranche of the Subordinated Notes or the Perpetual Capital Securities, as applicable.

***Characterization of certain Notes may be unclear for U.S. federal income tax purposes.***

The characterization of a Series or Tranche of Notes (including Subordinated Notes and Perpetual Capital Securities) may be uncertain for U.S. federal income tax purposes and will depend on the terms of those Notes. The determination of whether an obligation represents debt, equity, or some other instrument or interest is based on all the relevant facts and circumstances. There may be no U.S. statutory, judicial or administrative authority directly addressing the characterization of some of the types of Notes that are anticipated to be issued under the Program or of instruments similar to the Notes. Each U.S. Holder (as defined in “Taxation – Certain United States Federal Income Tax Considerations”) should consult its own tax advisor about the proper characterization of the Notes for U.S. federal income tax purposes and consequences to the U.S. Holder of acquiring, owning or disposing of the Notes.

***Noteholders or Securityholders, as the case may be, may face certain risks associated with exchange rate fluctuations and any modifications to exchange controls.***

We will pay principal and interest (in respect of the Notes other than the Perpetual Capital Securities) or Distributions (in respect of the Perpetual Capital Securities only), as applicable, on the Notes in the currency specified (the “**Settlement Currency**”). This presents certain risks relating to currency conversions if a Noteholder’s or Securityholder’s financial activities are denominated principally in a currency or currency unit (the “**Investor’s Currency**”) other than the Settlement Currency. These include the risk that exchange rates may significantly change (including changes due to devaluation of the Settlement Currency or appreciation of the Investor’s Currency) and the risk that authorities with jurisdiction over the Settlement Currency or Investor’s Currency may impose or modify exchange controls. An appreciation in the value of the Investor’s Currency relative to the Settlement Currency would decrease (a) the Investor’s Currency-equivalent yield on the Notes, (b) the Investor’s Currency-equivalent value of the principal payable

on the Notes and (c) the Investor's Currency-equivalent market value of the Notes. Imposition of exchange controls by government and monetary authorities could materially adversely affect an applicable exchange rate. As a result, Noteholders or Securityholders, as the case may be, may receive less interest (in respect of the Notes other than the Perpetual Capital Securities) or Distributions (in respect of the Perpetual Capital Securities only), as applicable, or principal than expected, or no interest (in respect of the Notes other than the Perpetual Capital Securities) or Distributions (in respect of the Perpetual Capital Securities only), as applicable, or principal.

***Noteholders or Securityholders, as the case may be, may be adversely affected by proposals to reform key benchmarks such as LIBOR, SIBOR, SOR, Compounded Daily SONIA or Compounded Daily SORA.***

A change in the method of calculation or discontinuance of key benchmarks such as the London Interbank Offered Rates ("**LIBOR**"), Singapore dollar interest rate benchmarks such as the Singapore Interbank Offered Rates ("**SIBOR**"), Swap Offered Rates ("**SOR**"), Compounded Daily Sterling Overnight Index Average ("**SONIA**") or Compounded Daily Singapore Overnight Rate Average ("**SORA**") are the subject of recent international regulatory guidance and proposals for reform. Some of these reforms are already effective while others are still to be implemented. These reforms may cause such benchmarks to perform differently than in the past or to disappear entirely, or have other consequences which cannot be predicted. Any such consequence could have a material adverse effect on any Floating Rate Note or Perpetual Capital Securities where the interest rate is calculated with reference to such benchmarks.

More broadly, any of the international reforms or the general increased regulatory scrutiny of benchmarks, could increase the costs and risks of administering or otherwise participating in the setting of a benchmark and complying with any such regulations or requirements. For example, the sustainability of LIBOR has been questioned as a result of the absence of relevant active underlying markets and possible disincentives (including as a result of regulatory reforms) for market participants to continue contributing to such benchmarks. On July 27, 2017, the United Kingdom Financial Conduct Authority announced that it will no longer persuade or compel banks to submit rates for the calculation of the LIBOR benchmark after 2021 and, on July 12, 2018, announced that the LIBOR benchmark may cease to be a regulated benchmark under the Benchmark Regulation (together, the "**FCA Announcements**"). The FCA Announcements indicated that the continuation of LIBOR on the current basis cannot and will not be guaranteed after 2021. Similarly, The ABS has also proposed to discontinue certain tenors for SIBOR, to amend the methodology for determining SIBOR, and to transition from SOR to an alternative interest rate benchmark over two years. The potential elimination of the LIBOR or SIBOR benchmark or any other benchmark, or changes in the manner of administration of any benchmark, could require an adjustment to the terms and conditions, or result in other consequences, in respect of any Floating Rate Note or Perpetual Capital Securities linked to such benchmark. Such factors may have the following effects on certain benchmarks: (i) discourage market participants from continuing to administer or contribute to the benchmark; (ii) trigger changes in the rules or methodologies used in the benchmark or (iii) lead to the disappearance of the "benchmark".

The Securities and Futures (Amendment) Act 2017 (the "**SFA Amendment Act**") was gazetted on February 16, 2017, and came into force on October 8, 2018. Among other things, the SFA Amendment Act introduces a legislative framework for the regulation of financial benchmarks through a new Part VIAA in the SFA. The SFA Amendment Act (a) introduces specific criminal and civil sanctions under the SFA for manipulation of any financial benchmark (including SIBOR, SOR and foreign exchange spot benchmarks), and (b) subjects the setting of key financial benchmarks (which are designated as "designated benchmarks" by the MAS) to regulatory oversight. Benchmark administrators and benchmark submitters of designated benchmarks are subject to regulatory requirements under the SFA. The Securities and Futures (Financial Benchmark) Regulations 2018 were issued on October 8, 2018, and set out the admission, ongoing conduct

and other requirements which apply to benchmark administrators and benchmark submitters of designated benchmarks. To the extent SIBOR or SOR are subject to additional MAS or industry regulations which adversely affect the volatility or level of such benchmarks, Floating Rate Notes or Perpetual Capital Securities calculated with reference to such benchmarks could be adversely affected. Pursuant to the Securities and Futures (Designated Benchmarks) Order 2018, the MAS designated the SIBOR and SOR as designated benchmarks with effect from October 8, 2018. On August 30, 2019, the MAS announced the establishment of a steering committee to oversee an industry-wide benchmark transition from SOR to SORA. In addition, the ABS and the Singapore Foreign Exchange Market Committee (“**SFEMC**”) released a consultation report “Roadmap for Transition of Interest Rate Benchmarks: From SOR to SORA” identifying SORA as the alternative interest rate benchmark to SOR, envisaging a phased transition over two years. On March 19, 2020, the Steering Committee for SOR Transition to SORA (“**SC-STS**”) released its response to feedback received on the consultation report in which the SC-STS noted that overall, there was broad support for the proposed transition roadmap and approach set out in the consultation report. In its response, the SC-STS also outlined its key priorities and updated transition roadmap to achieve a smooth transition from SOR to SORA as the new interest rate benchmark for the SGD cash and derivatives markets. On July 29, 2020, the ABS and SFEMC issued another consultation report titled “SIBOR Reform and the Future Landscape of SGD Interest Rate Benchmarks” which recommends the discontinuation of SIBOR in three to four years, and a shift to the use of the SORA as the main interest rate benchmark for SGD financial markets. On August 5, 2020, the MAS announced several key initiatives to support the adoption of SORA, which include issuing SORA-based floating rate notes on a monthly basis starting from August 21, 2020, as well as publishing key statistics involving SORA on a daily basis. As part of the MAS initiatives, SORA was prescribed as a financial benchmark under the SFA pursuant to the Securities and Futures (Prescribed Financial Benchmark) Regulations 2020, which came into operation on August 5, 2020.

Any of the above changes or any other consequential changes as a result of international reforms or other initiatives or investigations, could have a material adverse effect on the value of and return on any Floating Rate Notes linked to or referencing a benchmark.

***Negative benchmark rates would reduce the rate of interest on the Floating Rate Notes.***

The interest rate to be borne by Floating Rate Notes is based on a spread over the relevant benchmark, including SIBOR, SOR, LIBOR, HIBOR, EURIBOR, Compounded Daily SONIA or Compounded Daily SORA or another benchmark. Changes in the relevant benchmark rate will affect the rate at which Floating Rate Notes accrue interest and the amount of interest payments on Floating Rate Notes. To the extent that the relevant benchmark rate decreases below 0.00% for any interest period, the rate at which the Floating Rate Notes accrue interest for such interest period may be reduced by the amount by which such benchmark rate is negative.

***The market continues to develop in relation to risk free rates (including overnight rates) as reference rates for Floating Rate Notes.***

Investors should be aware that the market continues to develop in relation to risk free rates as reference rates in the capital markets and their adoption as alternatives to the relevant interbank offered rates. For example, on November 29, 2017, the Bank of England and the United Kingdom Financial Conduct Authority announced that the Bank of England’s Working Group on Sterling Risk-Free Rates had been mandated with implementing a broad-based transition to the Sterling Overnight Index Average (“**SONIA**”) over the following four years across sterling bond, loan and derivatives markets, so that SONIA is established as the primary sterling interest rate benchmark by the end of 2021. Similarly, on August 30, 2019, the MAS announced the establishment of a SC-STS to oversee an industry-wide benchmark transition from SOR to the SORA. In addition, the ABS and the SFEMC released a consultation report “Roadmap for Transition of Interest Rate Benchmarks: From SOR to SORA” identifying SORA as the alternative interest rate benchmark to



SOR, envisaging a phased transition over two years. On March 19, 2020, SC-STS released its “Response to Feedback Received on Proposed Roadmap for Transition from SOR to SORA”, which sets out its response to feedback received on the Consultation. Overall, SC-STS noted that there was broad support for the proposed transition roadmap and approach set out in the Consultation, and also outlined its key priorities and updated transition roadmap to achieve a smooth transition from SOR to SORA as the new interest rate benchmark for the SGD cash and derivatives markets. In addition, market participants and relevant working groups are exploring alternative reference rates based on risk free rates, examples of which include term SONIA reference rates (which seek to measure the market’s forward expectation of an average SONIA rate over a designated term) and term SORA reference rates (which are intended to be forward-looking benchmarks based on SORA). On July 29, 2020, the ABS and SFEMC issued another consultation report titled “SIBOR Reform and the Future Landscape of SGD Interest Rate Benchmarks” which recommends the discontinuation of SIBOR in three to four years, and a shift to the use of the SORA as the main interest rate benchmark for SGD financial markets. On August 5, 2020, the MAS announced several key initiatives to support the adoption of SORA, which include issuing SORA-based floating rate notes on a monthly basis starting from August 21, 2020, as well as publishing key statistics involving SORA on a daily basis. As part of the MAS initiatives, SORA was prescribed as a financial benchmark under the SFA pursuant to the Securities and Futures (Prescribed Financial Benchmark) Regulations 2020, which came into operation on August 5, 2020.

The market or a significant part thereof may adopt an application of risk free rates that differs significantly from that set out in the Conditions and used in relation to any that reference risk free rates issued under the Programme. The relevant Issuer may in the future also issue Notes referencing risk free rates that differ materially in terms of interest determination when compared with any previous Notes referencing the same risk free rate issued by it under the Programme. The development of risk free rates as interest reference rates for the Eurobond markets and of the market infrastructure for adopting such rates could result in reduced liquidity or increased volatility or could otherwise affect the market price of any Notes issued under the Programme which references any such risk free rate from time to time.

Furthermore, the basis of deriving certain risk free rates, such as SOFR, SONIA or SORA, may mean that interest on Notes which reference any such risk free rate would only be capable of being determined after the end of the relevant Observation Period and immediately prior to the relevant Interest Payment Date. It may be difficult for investors in Notes which reference any such risk free rate to accurately estimate the amount of interest which will be payable on such Notes, and some investors may be unable or unwilling to trade such Notes without changes to their IT systems, both of which could adversely impact the liquidity of such Notes. Further, in contrast to LIBOR-linked Notes, if Notes referencing Compounded Daily SONIA or Compounded Daily SORA become due and payable as a result of an event of default under the Conditions, the rate of interest payable for the final Interest Period in respect of such Notes shall only be determined on the date which the Notes become due and payable and shall not be reset thereafter. Investors should consider these matters when making their investment decision with respect to any such Notes.

In addition, the manner of adoption or application of risk free rates in the Eurobond markets may differ materially compared with the application and adoption of such risk free rates in other markets, such as the derivatives and loan markets. Investors should carefully consider how any mismatch between the adoption of risk free rates across these markets may impact any hedging or other financial arrangements which they may put in place in connection with any acquisition, holding or disposal of Notes referencing such risk free rates.

Since risk free rates are relatively new market indices, Notes linked to any such risk free rate may have no established trading market when issued, and an established trading market may never develop or may not be very liquid. Market terms for debt securities indexed to any risk free rate, such as the spread over the index reflected in interest rate provisions, may evolve over time, and trading prices of such Notes may be lower than those of later-issued indexed debt securities as a result. Further, if any risk free rate to which a series of Notes is linked does not prove to be widely used in securities like the Notes, the trading price of such Notes linked to a risk free rate may be lower than those of Notes linked to indices that are more widely used. Investors in such Notes may not be able to sell such Notes at all or may not be able to sell such Notes at prices that will provide them with a yield comparable to similar investments that have a developed secondary market, and may consequently suffer from increased pricing volatility and market risk. There can also be no guarantee that any risk free rate to which a series of Notes is linked will not be discontinued or fundamentally altered in a manner that is materially adverse to the interests of investors in Notes referencing such risk free rate. If the manner in which such risk free rate is calculated is changed, that change may result in a reduction of the amount of interest payable on such Notes and the trading prices of such Notes.

***Legal investment considerations may restrict certain investments.***

The investment activities of certain investors are subject to legal investment laws and regulations, or review or regulation by certain authorities. Each potential investor should consult its legal advisors to determine whether and to what extent (i) the Notes are legal investments for it; (ii) the Notes can be used as collateral for various types of borrowing; and (iii) other restrictions apply to its purchase or pledge of any Notes. Financial institutions should consult their legal advisors or the appropriate regulators to determine the appropriate treatment of Notes under any applicable risk-based capital or similar rules.

***Information Reporting Obligations.***

Information relating to the Notes, their holders and beneficial owners may be required to be provided to tax authorities in certain circumstances pursuant to domestic or international reporting and transparency regimes. This may include (but is not limited to) information relating to the value of the Notes, amounts paid or credited with respect to the Notes, details of the holders or beneficial owners of the Notes and information and documents in connection with transactions relating to the Notes. In certain circumstances, the information obtained by a tax authority may be provided to tax authorities in other countries. Some jurisdictions operate a withholding system in place of, or in addition to, such provision of information requirements. Pursuant to the terms and conditions of the Notes and subject to certain limitations, a holder or beneficial owner of Notes is required to provide information reasonably requested by us for the purposes of our compliance with applicable information reporting regimes.

**Risks Relating to Renminbi-Denominated Notes**

Notes denominated in Renminbi (“**RMB Notes**”) may be issued under the Program. RMB Notes contain particular risks for potential investors.

***Renminbi is not freely convertible; there are significant restrictions on remittance of Renminbi into and outside the People’s Republic of China (the “PRC”).***

Renminbi is not freely convertible at present. The PRC government continues to regulate conversion between Renminbi and foreign currencies despite the significant reduction over the years by the PRC government of control over routine foreign exchange transactions under current accounts.

Currently, participating banks in Singapore, Hong Kong SAR, Taiwan, London, Frankfurt, Seoul, Toronto, Sydney, Doha, Paris, Luxembourg, Kuala Lumpur and Bangkok have been permitted to engage in the settlement of Renminbi trade transactions. This represents a current account activity. However, remittance of Renminbi by foreign investors into the PRC for the purposes of capital account items, such as capital contributions, is generally only permitted upon obtaining specific approvals from, or completing specific registrations or filings with, the relevant authorities on a case-by-case basis and is subject to a strict monitoring system. Regulations in the PRC on the remittance of Renminbi into the PRC for settlement of capital account items are developing gradually.

Although, since October 1, 2016, the Renminbi has been added to the Special Drawing Rights basket created by the International Monetary Fund, there is no assurance that the PRC government will continue to gradually liberalize the control over cross-border remittances of Renminbi funds in the future, that the pilot schemes for Renminbi cross-border utilization will not be discontinued or that new PRC regulations will not be promulgated in the future which have the effect of restricting or eliminating the remittance of Renminbi funds into or out of the PRC. In the event that funds cannot be repatriated out of the PRC in Renminbi, this may affect the overall availability of Renminbi outside the PRC and the ability of the Issuer to source Renminbi to finance its obligations under the Notes denominated in Renminbi. Each investor should consult its own advisors to obtain a more detailed explanation of how the PRC regulations and rules may affect their investment decisions.

***There is only limited availability of Renminbi outside the PRC, which may affect the liquidity of RMB Notes and our ability to source Renminbi outside the PRC to service such RMB Notes.***

As a result of the restrictions by the PRC government on cross-border Renminbi fund flows, the availability of Renminbi outside of the PRC is limited. While People's Bank of China ("**PBOC**") has entered into agreements on the clearing of Renminbi business with financial institutions in a number of financial centres and cities (the "**Renminbi Clearing Banks**") and are in the process of establishing Renminbi clearing and settlement mechanisms in several other jurisdictions (the "**Settlement Arrangements**"), the current size of Renminbi denominated financial assets outside the PRC is limited.

There are restrictions imposed by PBOC on Renminbi business participating banks in respect of cross-border Renminbi settlement, such as those relating to direct transactions with PRC enterprises. Furthermore, Renminbi business participating banks do not have direct Renminbi liquidity support from PBOC. The Renminbi Clearing Banks only have access to onshore liquidity support from PBOC for the purpose of squaring open positions of participating banks for limited types of transactions and are not obliged to square for participating banks any open positions resulting from other foreign exchange transactions or conversion services. In such cases, the participating banks will need to source Renminbi from outside the PRC to square such open positions.

Although it is expected that the offshore Renminbi market will continue to grow in depth and size, its growth is subject to many constraints as a result of PRC laws and regulations on foreign exchange. There is no assurance that new PRC rules and regulations will not be promulgated or amended or the Settlement Arrangements will not be terminated or amended in the future which will have the effect of restricting availability of Renminbi offshore. The limited availability of Renminbi outside the PRC may affect the liquidity of RMB Notes. To the extent we are required to source Renminbi in the offshore market to service its RMB Notes, there is no assurance that we will be able to source such Renminbi on satisfactory terms, if at all. If Renminbi is not available in certain circumstances as described under the Notes, we may make payments under the Notes in a currency other than Renminbi.

***Investment in RMB Notes is subject to exchange rate risks.***

The value of Renminbi against the U.S. dollar and other foreign currencies fluctuates from time to time and is affected by changes in the PRC and international political and economic conditions and by many other factors. In August 2015, the PBOC implemented changes to the way it calculates the Renminbi's daily mid-point against the U.S. dollar to take into account market-maker quotes before announcing such daily mid-point. This change, and others that may be implemented, may increase the volatility in the value of the Renminbi against foreign currencies. In addition, the ongoing Sino-US trade tensions has also contributed to the fluctuation of the value of Renminbi against the U.S. dollar, resulting in the easing of the Renminbi in recent months. All payments of interest (in respect of the Notes other than the Perpetual Capital Securities) or Distributions (in respect of the Perpetual Capital Securities only), as applicable, and principal will be made with respect to RMB Notes in Renminbi, save as provided in Note Condition 7(j) (in respect of the Notes other than the Perpetual Capital Securities) and Perpetual Capital Securities Condition 8(f) (in respect of the Perpetual Capital Securities only), as applicable. As a result, the value of these Renminbi payments may vary with the changes in the prevailing exchange rates in the marketplace. If the value of Renminbi depreciates against another foreign currency, the value of the investment made by a holder of the RMB Notes in that foreign currency will decline. If an investor measures its investment returns by reference to a currency other than Renminbi, an investment in the RMB Notes entails foreign exchange related risks, including possible significant changes in the value of RMB relative to the currency by reference to which an investor measures its investment returns. Depreciation of the Renminbi against such currency could cause a decrease in the effective yield of the RMB Notes below their stated coupon rates and could result in a loss when the return on the RMB Notes is translated into such currency. In addition, there may be tax consequences for investors as a result of any foreign currency gains resulting from any investment in RMB Notes.

***Investment in the RMB Notes is subject to currency risk.***

If we are not able, or it is impracticable for us, to satisfy our obligation to pay interest (in respect of the Notes other than the Perpetual Capital Securities) or Distributions (in respect of the Perpetual Capital Securities only), as applicable, and principal on the RMB Notes as a result of Inconvertibility, Non-transferability or Illiquidity (each as defined in the relevant Conditions), we shall be entitled, on giving not less than five or more than 30 days' irrevocable notice to the Noteholders or the Securityholders, as the case may be, prior to the due date for payment, to settle any such payment in U.S. Dollars or Singapore dollars, as the case may be, on the due date at the U.S. Dollar Equivalent or the Singapore Dollar Equivalent, respectively, of any such Renminbi denominated amount.

***Payments in respect of RMB Notes will only be made to investors in the manner specified in such RMB Notes.***

All payments to investors in respect of RMB Notes will be made solely (a) when RMB Notes are represented by Global Certificates, by transfer to a Renminbi bank account maintained in Hong Kong SAR or Singapore, as the case may be, in accordance with prevailing CMU rules and procedures or CDP rules, as the case may be, or (b) when RMB Notes are in definitive form, by transfer to a Renminbi bank account maintained in Hong Kong SAR or Singapore in accordance with prevailing rules and regulations. Other than as described in the Conditions, we cannot be required to make payment by any other means (including in any other currency or in bank notes, by check or draft or by transfer to a bank account in the PRC).

## EXCHANGE RATES

The following table sets forth, for the periods indicated, information concerning the exchange rates between Singapore dollars and U.S. dollars based on the average mid-day rate published by the MAS on each business day during the relevant period.

Fiscal Year/Period	Singapore dollars per U.S.\$1.00 Mid-Day Rate			
	Average	Low	High	Period End
2015	1.3749	1.3204	1.4356	1.4139
2016	1.3811	1.3375	1.4499	1.4463
2017	1.3807	1.3366	1.4489	1.3366
2018	1.3491	1.3053	1.3865	1.3648
2019	1.3642	1.3465	1.3940	1.3472
Seven months ended July 31, 2020	1.3972	1.3466	1.4592	1.3752

The following table sets forth, for the periods indicated, information concerning the exchange rates between Singapore dollars and U.S. dollars based on the average mid-day rate published by the MAS on each business day during the relevant period.

Month	Singapore dollars per U.S.\$1.00 Mid-Day Rate			
	Average	Low	High	Period End
January 2020	1.3508	1.3466	1.3633	1.3619
February 2020	1.3897	1.3681	1.4013	1.3977
March 2020	1.4166	1.3810	1.4592	1.4247
April 2020	1.4245	1.4108	1.4403	1.4108
May 2020	1.4181	1.4119	1.4256	1.4143
June 2020	1.3942	1.3876	1.4084	1.3932
July 2020	1.3883	1.3752	1.3952	1.3752
August 1 through August 28, 2020	1.3703	1.3641	1.3760	1.3641

The above tables illustrate how many Singapore dollars it would take to buy one U.S. dollar. These transactions should not be construed as a representation that those Singapore dollar or U.S. dollar amounts could have been, or could be, converted into U.S. dollars or Singapore dollars, as the case may be, at any particular rate, or at all.

### Exchange Controls

Currently, there are no exchange control restrictions in Singapore.

## TERMS AND CONDITIONS OF THE NOTES OTHER THAN THE PERPETUAL CAPITAL SECURITIES

*The following is the text of the terms and conditions that, save for the words in italics and, subject to completion and amendment and as supplemented or varied in accordance with the provisions of the applicable Pricing Supplement, shall be applicable to the Notes (other than the Perpetual Capital Securities (as defined in the Trust Deed referred to below) in definitive form (if any) issued in exchange for the Global Note(s) or Global Certificate(s) representing each Series and to AMTNs (as defined below). These terms and conditions, together with the relevant provisions of the applicable Pricing Supplement, as so completed, amended, supplemented or varied (and subject to simplification by the deletion of non-applicable provisions), shall be endorsed on such Bearer Notes or on the Certificates relating to such Registered Notes (other than AMTNs). All capitalized terms that are not defined in these Conditions will have the meanings given to them in the applicable Pricing Supplement or the Trust Deed, as the case may be. Those definitions will be endorsed on the definitive Notes or Certificates, as the case may be. References in these Conditions to “Notes” are to the Notes of one Series only, not to all Notes that may be issued under the Program. References in these Conditions to the “Issuer” are to the Issuer issuing Notes under one Series, which, in the case of any Senior Notes, is a reference to Oversea-Chinese Banking Corporation Limited (“OCBC”) or any of its branches outside Singapore or certain other companies in and outside Singapore, each being a subsidiary of OCBC (as may be specified in the applicable Pricing Supplement) and in the case of any Subordinated Notes, is a reference to OCBC.*

The Notes (other than Notes which are specified in the applicable Pricing Supplement as being denominated in Australian dollars, issued in the Australian domestic capital market and ranking as senior obligations of the Issuer (“AMTNs”)) are constituted by an amended and restated trust deed (as amended or supplemented as at the date of issue of the Notes (the “Issue Date”)) dated August 31, 2020 (the “Trust Deed”) between Oversea-Chinese Banking Corporation Limited (“OCBC”) (as may be acceded to by any branch of OCBC outside Singapore and Specified Issuers (as defined below) from time to time by the execution of a deed of accession in respect of Senior Notes (as defined below) only) and The Bank of New York Mellon, London Branch (the “Trustee”, which expression shall include all persons for the time being the trustee or trustees under the Trust Deed) as trustee for the Noteholders (as defined below) and, if the Notes are specified in the applicable Pricing Supplement as being governed by Singapore law, as supplemented by the Singapore supplemental trust deed (as amended or supplemented as at the Issue Date) dated August 31, 2020 between OCBC (as may be acceded to by any branch of OCBC outside Singapore and Specified Issuers from time to time by the execution of a deed of accession in respect of Senior Notes only) and the Trustee (the “Singapore Supplemental Trust Deed”), and where applicable, the Notes which are specified in the applicable Pricing Supplement to be held in and cleared through The Central Depository (Pte) Limited (“CDP”) are issued with the benefit of a deed of covenant dated August 31, 2012, as supplemented on March 9, 2018, relating to the Notes executed by OCBC (and as further amended, varied or supplemented from time to time, the “CDP Deed of Covenant”). AMTNs will be constituted by the Deed Poll dated July 5, 2011 (as amended and supplemented from time to time, the “Note (AMTN) Deed Poll”). The provisions of these Conditions (as defined below) relating to Bearer Notes, Certificates, Receipts, Coupons and Talons do not apply to Notes specified in the Pricing Supplement as being AMTNs. The Trustee is not appointed in respect of AMTNs, therefore, to the extent that these Conditions relate to AMTNs, any reference herein to the agreement, opinion, approval, consent, satisfaction or any similar action or decision (however described) being specified or required of, from, by or on the part of the Trustee with respect to any Notes or documents, such agreement, opinion, approval, consent, satisfaction or any similar action or decision (however described) of the Trustee shall not be required in respect of any such AMTNs, the Note (AMTN) Deed Poll or any other document or agreement in connection with them and, where relevant, any other documents expressed to be applicable to a tranche of Notes.

These terms and conditions (the “**Conditions**”) include summaries of, and are subject to, the detailed provisions of the Trust Deed, which includes the form of the Bearer Notes, Certificates, Receipts, Coupons and Talons defined and referred to below. OCBC (and any other branches of OCBC outside Singapore and Specified Issuers which may from time to time accede to the Agency Agreement (as defined below) by the execution of a deed of accession in respect of Senior Notes only), the Trustee, The Bank of New York Mellon, London Branch, as initial issuing and paying agent in relation to each Series of Notes other than AMTNs or any Series of Notes to be held through CDP, in the Central Moneymarkets Unit Service operated by the Hong Kong Monetary Authority (the “**CMU**”) or through The Depository Trust Company (“**DTC**”), The Bank of New York Mellon, Hong Kong Branch as initial CMU lodging and paying agent in relation to each Series of Notes to be held in CMU, The Bank of New York Mellon, Singapore Branch as initial CDP paying agent in relation to each Series of Notes to be held in CDP, The Bank of New York Mellon, as issuing and paying agent, exchange agent and transfer agent and registrar in respect of each Series of Notes to be cleared through DTC and the other agents named therein have entered into an amended and restated agency agreement (as amended or supplemented as at the Issue Date, the “**Agency Agreement**”) dated August 31, 2020 in relation to the Notes (other than AMTNs) and, if the Notes are specified in the applicable Pricing Supplement as being governed by Singapore law, as supplemented by the Singapore supplemental agency agreement (as amended and supplemented as at the Issue Date) dated August 31, 2020 between the Issuer, the CDP paying agent and the other agents named therein (the “**Singapore Supplemental Agency Agreement**”). OCBC and BTA Institutional Services Australia Limited as registrar and issuing and paying agent in Australia (the “**Australian Agent**”) have entered into an Agency and Registry Services Agreement (as amended and supplemented from time to time, the “**Australian Agency Agreement**”) dated July 5, 2011 in relation to the AMTNs. The issuing and paying agent, the CMU lodging and paying agent, the CDP paying agent, the U.S. paying agent, the exchange agent, the other paying agents, the registrar, the Australian agent, the transfer agents and the calculation agent(s) for the time being (if any) are referred to below respectively as the “**Issuing and Paying Agent**”, the “**CMU Lodging and Paying Agent**”, the “**CDP Paying Agent**”, the “**U.S. Paying Agent**”, the “**Exchange Agent**”, the “**Paying Agents**” (which expression shall include the Issuing and Paying Agent, the CMU Lodging and Paying Agent, the CDP Paying Agent, the U.S. Paying Agent and the Australian Agent), the “**Registrar**”, the “**Australian Agent**”, the “**Transfer Agents**” (which expression shall include the Registrar and the Australian Agent) and the “**Calculation Agent(s)**”. For the purposes of these Conditions, all references (other than in relation to the determination of interest and other amounts payable in respect of the Notes) to the Issuing and Paying Agent shall (i) with respect to a Series of Notes to be held in CMU, be deemed to be a reference to the CMU Lodging and Paying Agent, (ii) with respect to a Series of Notes to be held in CDP, be deemed to be a reference to the CDP Paying Agent and (iii) with respect to a Series of Notes to be held in DTC, be deemed to be a reference to the U.S. Paying Agent and all such references shall be construed accordingly. Copies of the Trust Deed, the Singapore Supplemental Trust Deed, the Note (AMTN) Deed Poll, the Agency Agreement, the Singapore Supplemental Agency Agreement, the Australian Agency Agreement and the CDP Deed of Covenant referred to above are available for inspection free of charge during usual business hours at the principal office of the Trustee (presently at One Canada Square, London, E14 5AL, United Kingdom) and at the specified offices of the Paying Agents and the Transfer Agents (other than the Australian Agent). The Note (AMTN) Deed Poll will be held by the Australian Agent and copies of the Note (AMTN) Deed Poll and the Australian Agency Agreement referred to above are available for inspection free of charge during usual business hours at the principal office of the Australian Agent (presently at Level 2, 1 Bligh Street, Sydney, NSW 2000, Australia).

The Noteholders, the holders of the interest coupons (the “**Coupons**”) relating to interest bearing Notes in bearer form and, where specified in the applicable Pricing Supplement, talons for further Coupons (the “**Talons**”) (the “**Couponholders**”) and the holders of the receipts for the payment of installments of principal (the “**Receipts**”) relating to Notes in bearer form of which the principal is payable in installments (the “**Receiptholders**”) are entitled to the benefit of, are bound by, and are deemed to have notice of, these Conditions, (in respect of the holders of Notes (other than

AMTNs)) all the provisions of the Trust Deed, the applicable Pricing Supplement and (in respect of the AMTN holders only) the Note (AMTN) Deed Poll, and, in the case of Notes specified in the applicable Pricing Supplement as being governed by Singapore law, the Singapore Supplemental Trust Deed, and are deemed to have notice of those provisions applicable to them of the Agency Agreement, the Australian Agency Agreement or the Singapore Supplemental Agency Agreement, as the case may be. The Pricing Supplement for any Notes (or the relevant provisions thereof) shall be attached to or endorsed on such Notes. References to “**applicable Pricing Supplement**” are to the Pricing Supplement (or relevant provisions thereof) attached to or endorsed on the relevant Notes.

As used in these Conditions, “**Tranche**” means Notes which are identical in all respects, “**Series**” means a series of Notes comprising one or more Tranches, whether or not issued on the same date, that (except in respect of the first payment of interest and their issue price) have identical terms on issue and are expressed to have the same Series Number specified in the applicable Pricing Supplement, “**Specified Issuer**” means, in respect of Senior Notes only, certain other companies in and outside Singapore, each being a subsidiary of OCBC, as may be specified in the applicable Pricing Supplement and “**subsidiary**” has the meaning given to this term under the Companies Act, Chapter 50 of Singapore.

## 1 Form, Denomination and Title

The Notes are issued in bearer form (“**Bearer Notes**”) or in registered form (“**Registered Notes**”), as specified in the applicable Pricing Supplement, in each case in the Specified Currency and Specified Denomination(s) shown in the applicable Pricing Supplement. AMTNs and Subordinated Notes (as defined in Condition 3(b)) will only be issued in registered certificated form.

*All Registered Notes shall have the same Specified Denomination. Unless otherwise permitted by the then current laws and regulations, Notes which have a maturity of less than one year and in respect of which the issue proceeds are to be accepted by the Issuer in the United Kingdom or whose issue otherwise constitutes a contravention of section 19 of the Financial Services and Markets Act 2000 will have a minimum denomination of £100,000 (or its equivalent in other currencies). Notes sold in reliance on Rule 144A will be in minimum denominations of U.S.\$200,000 (or its equivalent in other currencies) and integral multiples of U.S.\$1,000 (or its equivalent in other currencies) in excess thereof, subject to compliance with all legal and/or regulatory requirements applicable to the relevant currency. Notes which are listed on the Singapore Exchange Securities Trading Limited (the “**SGX-ST**”) will be traded on the SGX-ST in a minimum board lot size of S\$200,000 (or its equivalent in other currencies) or such other amount as may be allowed or required from time to time. In the case of any Notes which are to be admitted to trading on a regulated market within the European Economic Area or in the United Kingdom or offered to the public in a Member State of the European Economic Area or in the United Kingdom in circumstances which require the publication of a prospectus under Regulation (EU) 2017/1129 (as amended or superseded), the minimum Specified Denomination shall be €100,000 (or its equivalent in any other currency as at the date of issue of the relevant Notes).*

Each Note may be a Fixed Rate Note, a Floating Rate Note, a Zero Coupon Note, a combination of any of the foregoing or any other kind of Note, depending upon the Interest and Redemption/Payment Basis specified in the applicable Pricing Supplement.

Bearer Notes are serially numbered and are issued with Coupons (and, where appropriate, a Talon) attached, save in the case of Notes that do not bear interest in which case references to interest (other than in relation to interest due after the Maturity Date), Coupons



and Talons in these Conditions are not applicable. Any Bearer Note for which the applicable Pricing Supplement indicates such Notes are Installment Notes is issued with one or more Receipts attached.

Registered Notes (other than AMTNs) are represented by registered certificates (“**Certificates**”) and, save as provided in Condition 2(c), each Certificate shall represent the entire holding of Registered Notes by the same holder.

Title to the Bearer Notes and the Receipts, Coupons and Talons shall pass by delivery. Title to the Registered Notes shall pass by registration in the register that the Issuer shall procure to be kept by the Registrar or the Australian Agent in accordance with the provisions of the Agency Agreement or the Australian Agency Agreement (the “**Register**”). Except as ordered by a court of competent jurisdiction or as required by law, the holder (as defined below) of any Note, Receipt, Coupon or Talon shall be deemed to be and may be treated as its absolute owner for all purposes whether or not it is overdue and regardless of any notice of ownership, trust or an interest in it, any writing on it (or on the Certificate representing it) or its theft or loss (or that of the related Certificate) and no person shall be liable for so treating the holder.

In these Conditions, “**Noteholder**” means the bearer of any Bearer Note and the Receipts, Coupons or Talons relating to it or the person in whose name a Registered Note is registered (as the case may be), “**holder**” (in relation to a Note, Receipt, Coupon or Talon) means the bearer of any Bearer Note, Receipt, Coupon or Talon or the person in whose name a Registered Note is registered (as the case may be) and capitalized terms have the meanings given to them in the applicable Pricing Supplement, the absence of any such meaning indicating that such term is not applicable to the Notes.

*For so long as any of the Notes is represented by a Global Note or Global Certificate held on behalf of Euroclear Bank SA/NV (“**Euroclear**”) and/or Clearstream Banking S.A. (“**Clearstream**”), each person (other than Euroclear or Clearstream) who is for the time being shown in the records of Euroclear and/or Clearstream as the holder of a particular nominal amount of such Notes (in which regard any certificate or other document issued by Euroclear and/or Clearstream as to the nominal amount of such Notes standing to the account of any person shall be conclusive and binding for all purposes save in the case of manifest error) shall be treated by the Issuer, the Trustee and the Agents as the holder of such nominal amount of such Notes for all purposes other than with respect to the payment of principal or interest on such nominal amount of such Notes, for which purpose the bearer of the relevant Global Note or the registered holder of the relevant Global Certificate shall be treated by the Issuer, the Trustee and any Agent as the holder of such nominal amount of such Notes in accordance with and subject to the terms of the relevant Global Note or Global Certificate and the expressions “**Noteholder**” and “**holder of Notes**” and related expressions shall be construed accordingly.*

*For so long as DTC or its nominee is the registered owner or holder of a Global Certificate, DTC or such nominee, as the case may be, will be considered the sole owner or holder of the Notes represented by such Global Certificate for all purposes under the Trust Deed and the Agency Agreement and those Notes except to the extent that in accordance with DTC’s published rules and procedures any ownership rights may be exercised by its participants or beneficial owners through participants.*

References in these Conditions to Coupons, Talons, Couponholders, Receipts and Receiptholders relate to Bearer Notes only.

In the case of AMTNs, the following provisions shall apply in lieu of the foregoing provisions of Condition 1 in the event of any inconsistency.

AMTNs will be debt obligations of the Issuer owing under the Note (AMTN) Deed Poll, will be represented by a certificate (“**AMTN Certificate**”) and will take the form of entries in a Register to be established and maintained by the Australian Agent in Sydney unless otherwise agreed with the Australian Agent (pursuant to the Australian Agency Agreement). The Agency Agreement and any Singapore Supplemental Agency Agreement are not applicable to the AMTNs.

AMTNs will not be serially numbered. Each entry in the Register constitutes a separate and individual acknowledgement to the relevant Noteholder of the indebtedness of the Issuer to the relevant Noteholder. The obligations of the Issuer in respect of each AMTN constitute separate and independent obligations which the Noteholder is entitled to enforce in accordance with these Conditions and the Note (AMTN) Deed Poll. Other than an AMTN Certificate, no certificate or other evidence of title will be issued by or on behalf of the Issuer unless the Issuer determines that certificates should be made available or it is required to do so pursuant to any applicable law or regulation.

No AMTN will be registered in the name of more than four persons. AMTNs registered in the name of more than one person are held by those persons as joint tenants. AMTNs will be registered by name only, without reference to any trusteeship and an entry in the Register in relation to an AMTN constitutes conclusive evidence that the person so entered is the registered owner of such AMTN, subject to rectification for fraud or error.

Upon a person acquiring title to any AMTNs by virtue of becoming registered as the owner of that AMTN, all rights and entitlements arising by virtue of the Note (AMTN) Deed Poll in respect of that AMTN vest absolutely in the registered owner of the AMTN, such that no person who has previously been registered as the owner of the AMTN has or is entitled to assert against the Issuer or the Australian Agent or the registered owner of the AMTN for the time being and from time to time any rights, benefits or entitlements in respect of the AMTN.

Each Tranche of AMTNs will be represented by a single AMTN Certificate substantially in the form set out in the Note (AMTN) Deed Poll. The Issuer shall issue and deliver, and procure the authentication by the Australian Agent of, such number of AMTN Certificates as are required from time to time to represent all of the AMTNs of each Series. An AMTN Certificate is neither a negotiable instrument nor a document of title in respect of any AMTNs represented by it. In the event of a conflict between any AMTN Certificate and the Register, the Register shall prevail (subject to correction for fraud or proven error).

## **2 No Exchange of Notes and Transfers of Registered Notes**

- (a) **No Exchange of Notes:** Registered Notes may not be exchanged for Bearer Notes. Bearer Notes may not be exchanged for Registered Notes. Bearer Notes of one Specified Denomination may not be exchanged for Bearer Notes of another Specified Denomination.
- (b) **Transfer of Registered Notes (other than AMTNs):** This Condition 2(b) does not apply to AMTNs which are specified in the applicable Pricing Supplement to be Registered Notes. Subject to Condition 2(g), one or more Registered Notes may be transferred upon the surrender (at the specified office of the Registrar or any Transfer Agent) of the Certificate representing such Registered Notes to be transferred, together with the form of transfer endorsed on such Certificate, (or another form of transfer substantially in the same form and containing the same representations and certifications (if any), unless otherwise agreed by the Issuer), duly completed and executed and any other evidence as the Registrar or Transfer Agent may require without service charge and subject to payment of any taxes, duties and other governmental charges in respect of such transfer. In the case of a transfer of part only of a holding of Registered Notes

represented by one Certificate, a new Certificate shall be issued to the transferee in respect of the part transferred and a further new Certificate in respect of the balance of the holding not transferred shall be issued to the transferor. All transfers of Notes and entries on the Register will be made subject to the detailed regulations concerning transfers of Notes scheduled to the Agency Agreement. The regulations may be changed by the Issuer, with the prior written approval of the Registrar and the Trustee. A copy of the current regulations will be made available by the Registrar to any Noteholder upon request.

*Any transfer of interests in Notes evidenced by a Global Note or a Global Certificate will be effected in accordance with the rules of the relevant clearing systems. Transfers of a Global Certificate registered in the name of a nominee for DTC shall be limited to transfers of such Global Certificate, in whole but not in part, to another nominee of DTC or to a successor of DTC or such successor's nominee.*

*Any transfer of interests in any Subordinated Notes that are the subject of a Trigger Event Notice issued in accordance with Condition 6 or notice of issue of a Bail-in Certificate shall not be permitted during any Suspension Period (as defined below).*

- (c) **Exercise of Options or Partial Redemption, Write-off or Conversion in Respect of Registered Notes:** In the case of an exercise of an Issuer or Noteholder's option in respect of, or a partial redemption or (as the case may be) a partial Write-off (as defined in Condition 6(b)(i)) or conversion (if specified and as described in the applicable Pricing Supplement) of, a holding of Registered Notes represented by a single Certificate, a new Certificate shall be issued to the holder to reflect the exercise of such option or in respect of the balance of the holding not redeemed, Written-off (as defined below) or converted. In the case of a partial exercise of an option resulting in Registered Notes of the same holding having different terms, separate Certificates shall be issued in respect of those Notes of that holding that have the same terms. New Certificates shall only be issued against surrender of the existing Certificates to the Registrar or any other Transfer Agent. In the case of a transfer of Registered Notes to a person who is already a holder of Registered Notes, a new Certificate representing the enlarged holding shall only be issued against surrender of the Certificate representing the existing holding.
- (d) **Delivery of New Certificates:** Each new Certificate to be issued pursuant to Condition 2(b) or Condition 2(c) shall be available for delivery within five business days of receipt of the request for transfer, exercise, redemption or exchange, form of transfer or Exercise Notice (as defined in Condition 5(e)) and surrender of the Certificate for transfer, exercise or redemption, except for any Write-off pursuant to Condition 6 or conversion (if specified and as described in the applicable Pricing Supplement) in which case any new Certificate to be issued shall be available for delivery as soon as reasonably practicable. Delivery of the new Certificate(s) shall be made at the specified office of the Transfer Agent or of the Registrar (as the case may be) to whom delivery or surrender of such request for transfer, exercise, redemption or exchange, form of transfer, Exercise Notice and/or Certificate shall have been made or, at the option of the holder making such delivery or surrender as aforesaid and as specified in the relevant form of transfer, Exercise Notice or otherwise in writing, be mailed by uninsured post at the risk of the holder entitled to the new Certificate to such address as may be so specified, unless such holder requests otherwise and pays in advance to the relevant Transfer Agent the costs of such other method of delivery and/or such insurance as it may specify. In this Condition 2(d), "**business day**" means a day, other than a Saturday or Sunday, on which banks are open for business in the place of the specified office of the relevant Transfer Agent or the Registrar (as the case may be).

- (e) **Transfers of AMTNs:** AMTNs may be transferred in whole but not part. Unless lodged in the clearing system operated by Austraclear Ltd (“**Austraclear**”), the AMTNs will be transferable by duly completed and (if applicable) stamped transfer and acceptance forms in the form specified by, and obtainable from, the Australian Agent or by any other manner approved by the Issuer and the Australian Agent. Each transfer and acceptance form must be accompanied by such evidence (if any) as the Australian Agent may require to prove the title of the transferor or the transferor’s right to transfer the AMTNs and be signed by both the transferor and the transferee. AMTNs may only be transferred within, to or from Australia if (i) the aggregate consideration payable by the transferee at the time of transfer is at least A\$500,000 (or its equivalent in any other currency and, in either case, disregarding moneys lent by the transferor or its associates) or the offer or invitation giving rise to the transfer otherwise does not require disclosure to investors in accordance with Part 6D.2 or Chapter 7 of the Corporations Act 2001 of the Commonwealth of Australia (the “**Australian Corporations Act**”), (ii) the transfer is not to a “retail client” for the purposes of section 761G of the Australian Corporations Act, (iii) the transfer is in compliance with all applicable laws, regulations or directives (including, without limitation, in the case of a transfer to or from Australia, the laws of the jurisdiction in which the transfer takes place), and (iv) in the case of a transfer between persons outside Australia, if a transfer and acceptance form is signed outside Australia. A transfer to an unincorporated association is not permitted.

A person becoming entitled to an AMTN as a consequence of the death or bankruptcy of a Noteholder or of a vesting order or a person administering the estate of a Noteholder may, upon producing such evidence as to that entitlement or status as the Australian Agent considers sufficient, transfer such AMTN or, if so entitled, become registered as the holder of the AMTN.

Where the transferor executes a transfer of less than all of the AMTNs registered in its name, and the specific AMTNs to be transferred are not identified, the Australian Agent may register the transfer in respect of such of the AMTNs registered in the name of the transferor as the Australian Agent thinks fit, provided the aggregate nominal amount of the AMTNs registered as having been transferred equals the aggregate nominal amount of the AMTNs expressed to be transferred in the transfer.

- (f) **Transfers Free of Charge:** Transfers of Notes and Certificates on registration, transfer, exercise of an option or partial redemption, Write-off or conversion (if and as specified in the applicable Pricing Supplement) shall be effected without charge by or on behalf of the Issuer, the Registrar, the Australian Agent or the Transfer Agents, but upon payment by the relevant Noteholder of any tax or other governmental charges that may be imposed in relation to it (or the giving of such indemnity as the Registrar, the Australian Agent or the relevant Transfer Agent may require).
- (g) **Closed Periods:** No Noteholder may require the transfer of a Registered Note to be registered (i) during the period of 15 days ending on the due date for redemption of, or payment of any Installment Amount in respect of, that Note, (ii) during the period of 15 days before to any date on which Notes may be called for redemption by the Issuer at its option pursuant to Condition 5(d), (iii) after any such Note has been called for redemption, (iv) during the period of seven days ending on (and including) any Record Date, or (v) in respect of any Subordinated Notes, during a Suspension Period.

In these Conditions, “**Suspension Period**” means the period commencing on the business day in Singapore immediately following the date of a Trigger Event Notice (as defined in Condition 6(e)) or notice of issue of a Bail-in Certificate, as the case may be, and ending on the earlier of the close of business in Singapore on:

- (i) the date on which the Registrar or any other Agent has (A) reflected the relevant Write-off or conversion (if and as specified in the applicable Pricing Supplement) in the Register or (B) issued a new Certificate (as the case may be) to such Noteholder in respect of the related Write-off or conversion (if and as specified in the applicable Pricing Supplement); and
- (ii) on the tenth business day in Singapore immediately following the date of any such notice, or

in the event that a Bail-in Certificate has been issued, when the Bail-in Certificate has been effected.

In relation to any Suspension Period, “**business day**” means a day, other than a Saturday or Sunday, on which banks are open for business in the place of the specified office of the relevant Transfer Agent or the Registrar (as the case may be).

### 3 Status

- (a) **Status of Senior Notes:** The senior notes (being those Notes that specify their status as senior in the applicable Pricing Supplement (the “**Senior Notes**”)) and the Receipts and Coupons relating to them constitute direct and unsecured obligations of the Issuer and shall at all times rank *pari passu* and without any preference among themselves. The payment obligations of the Issuer under the Senior Notes and the Receipts and Coupons relating to them shall, save for such exceptions as may be provided by applicable legislation, at all times rank at least equally with all other unsecured and unsubordinated indebtedness and monetary obligations of the Issuer, present and future.
- (b) **Status of Subordinated Notes:** The subordinated notes (being those Notes that specify their status as subordinated in the applicable Pricing Supplement) (the “**Subordinated Notes**”) constitute direct, unsecured and subordinated obligations of the Issuer and rank *pari passu* and without any preference among themselves. The rights and claims of the Noteholders are subordinated as described below.
- (c) **Subordination:** Upon the occurrence of any winding-up proceeding (other than pursuant to a Permitted Reorganisation (as defined below)), the rights of the Noteholders to the payment of the principal of, and interest on, the Subordinated Notes and any other obligations in respect of the Subordinated Notes are expressly subordinated and subject in right of payment to the prior payment in full of all claims of Senior Creditors, and will rank senior to the claims of the holders of all share capital of the Issuer and Additional Tier 1 Capital Securities and/or as otherwise specified in the applicable Pricing Supplement or in a supplement to the Offering Memorandum. The Subordinated Notes will rank *pari passu* with Tier 2 Capital Securities and/or as otherwise specified in the applicable Pricing Supplement or in a supplement to the Offering Memorandum and any instrument or security issued, entered into or guaranteed by the Issuer that ranks or is expressed to rank, by its terms or operation of law, *pari passu* with a Subordinated Note. In the event that (i) the Noteholders do not receive payment in full of the principal amount due and payable in respect of the Subordinated Notes plus interest thereon accrued to the date of repayment in any winding-up of the Issuer and (ii) the winding-up order or resolution passed for the

winding-up of the Issuer or the dissolution of the Issuer is subsequently stayed, discharged, rescinded, avoided, annulled or otherwise rendered inoperative, then to the extent that such Noteholders did not receive payment in full of such principal of and interest on such Subordinated Notes, such unpaid amounts shall remain payable in full; provided that payment of such unpaid amounts shall be subject to the provisions under this Condition 3, Condition 6 and Condition 10(b)(ii) and Clause 5 and Clause 8.2 of the Trust Deed.

The Issuer has agreed, pursuant to the terms of the Trust Deed, to indemnify the Noteholders against any loss incurred as a result of any judgment or order being given or made for any amount due under the Subordinated Notes and such judgment or order being expressed and paid in a currency other than the Specified Currency. Any amounts due under such indemnification will be similarly subordinated in right of payment with other amounts due on the Subordinated Notes and payment thereof shall be subject to the provisions under this Condition 3 and Condition 10(b)(ii) and Clause 8.2 of the Trust Deed.

*On a winding-up of the Issuer, there may be no surplus assets available to meet the claims of the Noteholders after the claims of the parties ranking senior to the Noteholders (as provided in this Condition 3 and Clause 5 of the Trust Deed) have been satisfied.*

*The subordination provisions set out in this Condition 3(c) are effective only upon the occurrence of any winding-up proceedings of the Issuer. In the event that a Trigger Event occurs, the rights of holders of Subordinated Notes shall be subject to Condition 6. This may not result in the same outcome for holders of Subordinated Notes as would otherwise occur under this Condition 3(c) upon the occurrence of any winding-up proceedings.*

In these Conditions:

**“Additional Tier 1 Capital Securities”** means (i) any security issued by the Issuer or (ii) any other similar instrument issued by any subsidiary of the Issuer that is guaranteed by the Issuer, that, in each case, constitutes Additional Tier 1 capital of the Issuer on an unconsolidated basis, pursuant to the relevant requirements set out in MAS Notice 637.

**“MAS”** means the Monetary Authority of Singapore or such other governmental authority having primary bank supervisory authority with respect to the Issuer.

**“MAS Notice 637”** means the MAS Notice 637 – “Notice on Risk Based Capital Adequacy Requirements for Banks Incorporated in Singapore” issued by MAS, as amended, replaced or supplemented from time to time.

**“Offering Memorandum”** means the offering memorandum dated August 31, 2020 relating to, *inter alia*, the Notes (which term shall include those documents incorporated in it by reference from time to time as provided in it) as from time to time amended, supplemented or replaced (but not including any information or documents replaced or superseded by any information so subsequently included or incorporated).

**“Permitted Reorganisation”** means a solvent reconstruction, amalgamation, reorganisation, merger or consolidation whereby all or substantially all the business, undertaking and assets of the Issuer are transferred to a successor entity which assumes all the obligations of the Issuer under the Notes.

“**Senior Creditors**” means creditors of the Issuer (including the Issuer’s depositors) other than those whose claims rank or are expressed to rank *pari passu* with or junior to the claims of the holders of the Subordinated Notes.

“**Tier 2 Capital Securities**” means (i) any security issued by the Issuer or (ii) any other similar instrument issued by any subsidiary of the Issuer that is guaranteed by the Issuer that, in each case, constitutes a Tier 2 capital instrument of the Issuer on an unconsolidated basis pursuant to the relevant requirements set out in MAS Notice 637.

- (d) **Set-off and Payment Void:** No Noteholder of Subordinated Notes may exercise, claim or plead any right of set-off, counterclaim or retention in respect of any amount owed to it by the Issuer arising under or in connection with the Subordinated Notes. Each Noteholder shall, by acceptance of any Subordinated Note, be deemed to have waived all such rights of set-off, counterclaim or retention to the fullest extent permitted by law. If at any time any Noteholder receives payment or benefit of any sum in respect of the Subordinated Notes (including any benefit received pursuant to any such set-off, counter-claim or retention) other than in accordance with the provisions in the second paragraph of Condition 10(b)(ii) and Clause 8.2.2 of the Trust Deed, the payment of such sum or receipt of such benefit shall, to the fullest extent permitted by law, be deemed void for all purposes and such Noteholder, by acceptance of such Subordinated Note, shall agree as a separate and independent obligation that any such sum or benefit so received shall forthwith be paid or returned in full by such Noteholder to the Issuer upon demand by the Issuer or, in the event of the winding-up of the Issuer, the liquidator of the Issuer, whether or not such payment or receipt shall have been deemed void under the Trust Deed. Any sum so paid or returned shall then be treated for the purposes of the Issuer’s obligations as if it had not been paid by the Issuer, and its original payment shall be deemed not to have discharged any of the obligations of the Issuer under the Subordinated Notes.

#### **4 Interest and other Calculations**

- (a) **Interest on Fixed Rate Notes:** If a Note is specified in the applicable Pricing Supplement as a Fixed Rate Note, it shall bear interest on its outstanding nominal amount from and including the Interest Commencement Date at the rate per annum (expressed as a percentage) equal to the Rate of Interest (as defined in Condition 4(l)), such interest being payable in arrear on each Interest Payment Date specified in the applicable Pricing Supplement. The amount of interest payable shall be determined in accordance with Condition 4(g), Condition 4(h), Condition 4(i) and Condition 4(j).
- (b) **Interest on Floating Rate Notes (for non-Singapore Dollar Notes) and Index Linked Interest Notes:**
- (i) *Interest Payment Dates:* If a Note is specified in the applicable Pricing Supplement as being a Floating Rate Note or an Index Linked Note, it shall bear interest on its outstanding nominal amount from and including the Interest Commencement Date at the rate per annum (expressed as a percentage) equal to the Rate of Interest, such interest being payable in arrear on each Interest Payment Date. The amount of interest payable shall be determined in accordance with Condition 4(g), Condition 4(h), Condition 4(i) and Condition 4(j). Such Interest Payment Date(s) is/are either shown in the applicable Pricing Supplement as Specified Interest Payment Date(s) or, if no Specified Interest Payment Date(s) is/are shown in the applicable Pricing Supplement, Interest Payment Date shall mean each date which falls the number of months or other period shown in the applicable Pricing Supplement as the Interest Period after the preceding Interest Payment Date or, in the case of the first Interest Payment Date, after the Interest Commencement Date.

In this Condition 4(b), Floating Rate Note shall refer to a Floating Rate Note which is denominated in a currency other than Singapore dollars.

- (ii) *Business Day Convention*: If any date referred to in these Conditions that is specified to be subject to adjustment in accordance with a Business Day Convention would otherwise fall on a day that is not a Business Day (as defined in Condition 4(l)), then, if the Business Day Convention specified in the applicable Pricing Supplement is (A) the Floating Rate Business Day Convention, such date shall be postponed to the next day that is a Business Day unless it would thereby fall into the next calendar month, in which event (x) such date shall be brought forward to the immediately preceding Business Day and (y) each subsequent such date shall be the last Business Day of the month in which such date would have fallen had it not been subject to adjustment, (B) the Following Business Day Convention, such date shall be postponed to the next day that is a Business Day, (C) the Modified Following Business Day Convention, such date shall be postponed to the next day that is a Business Day unless it would thereby fall into the next calendar month, in which event such date shall be brought forward to the immediately preceding Business Day or (D) the Preceding Business Day Convention, such date shall be brought forward to the immediately preceding Business Day.
  
- (iii) *Rate of Interest for Floating Rate Notes*: The Rate of Interest in respect of Floating Rate Notes for each Interest Accrual Period shall be determined in the manner specified in the applicable Pricing Supplement and the provisions below relating to either ISDA Determination or Screen Rate Determination shall apply, depending upon which is specified in the applicable Pricing Supplement.

(A) ISDA Determination for Floating Rate Notes

Where ISDA Determination is specified in the applicable Pricing Supplement as the manner in which the Rate of Interest is to be determined, the Rate of Interest for each Interest Accrual Period shall be determined by the Calculation Agent as a rate equal to the relevant ISDA Rate. For the purposes of this Condition 4(b)(iii)(A), “**ISDA Rate**” for an Interest Accrual Period means a rate equal to the Floating Rate that would be determined by the Calculation Agent under a Swap Transaction under the terms of an agreement incorporating the ISDA Definitions and under which:

- (x) the Floating Rate Option is as specified in the applicable Pricing Supplement;
- (y) the Designated Maturity is a period specified in the applicable Pricing Supplement; and
- (z) the relevant Reset Date is the first day of that Interest Accrual Period unless otherwise specified in the applicable Pricing Supplement.

For the purposes of this Condition 4(b)(iii)(A), “**Floating Rate**”, “**Calculation Agent**”, “**Floating Rate Option**”, “**Designated Maturity**”, “**Reset Date**” and “**Swap Transaction**” have the meanings given to those terms in the ISDA Definitions.



(B) Screen Rate Determination for Floating Rate Notes where the Reference Rate is not specified as being SIBOR, SOR, Compounded Daily SONIA or Compounded Daily SORA

(x) Where Screen Rate Determination is specified in the applicable Pricing Supplement as the manner in which the Rate of Interest is to be determined, the Rate of Interest for each Interest Accrual Period will, subject as provided below, be either:

(1) the offered quotation; or

(2) the arithmetic mean of the offered quotations,

(expressed as a percentage rate per annum) for the Reference Rate which appears or appear, as the case may be, on the Relevant Screen Page as at either 11.00 a.m. (London time in the case of the London Interbank Offered Rate (“**LIBOR**”) or Brussels time in the case of the Euro Interbank Offered Rate (“**EURIBOR**”) or Hong Kong time in the case of the Hong Kong Interbank Offered Rate (“**HIBOR**”)) on the Interest Determination Date in question as determined by the Calculation Agent. If five or more of such offered quotations are available on the Relevant Screen Page, the highest (or, if there is more than one such highest quotation, one only of such quotations) and the lowest (or, if there is more than one such lowest quotation, one only of such quotations) shall be disregarded by the Calculation Agent for the purpose of determining the arithmetic mean of such offered quotations.

If the Reference Rate from time to time in respect of Floating Rate Notes is specified in the applicable Pricing Supplement as being other than LIBOR, EURIBOR or HIBOR, the Rate of Interest in respect of such Notes will be determined as provided in the applicable Pricing Supplement.

(y) If the Relevant Screen Page is not available or if, Condition 4(b)(iii)(B)(x)(1) applies and no such offered quotation appears on the Relevant Screen Page or if Condition 4(b)(iii)(B)(x)(2) applies and fewer than three such offered quotations appear on the Relevant Screen Page in each case as at the time specified above, subject as provided below, the Issuer shall request, if the Reference Rate is LIBOR, the principal London office of each of the Reference Banks or, if the Reference Rate is EURIBOR, the principal Euro-zone office of each of the Reference Banks or, if the Reference Rate is HIBOR, the principal Hong Kong office of each of the Reference Banks, to provide the Calculation Agent with its offered quotation (expressed as a percentage rate per annum) for the Reference Rate if the Reference Rate is LIBOR, at approximately 11.00 a.m. (London time) or, if the Reference Rate is EURIBOR, at approximately 11.00 a.m. (Brussels time) or, if the Reference Rate is HIBOR, at approximately 11.00 a.m. (Hong Kong time) on the Interest Determination Date in question and such rate shall be notified to the Calculation Agent. If two or more of the Reference Banks provide the Issuer with such offered quotations, the Rate of Interest for such Interest Accrual Period shall be the arithmetic mean of such offered quotations as determined by the Calculation Agent; and

- (z) If Condition 4(b)(iii)(B)(y) applies and the Issuer determines that fewer than two Reference Banks are providing offered quotations, subject as provided below, the Rate of Interest shall be the arithmetic mean of the rates per annum (expressed as a percentage) as communicated to (and at the request of) the Issuer by the Reference Banks or any two or more of them, at which such banks were offered, if the Reference Rate is LIBOR, at approximately 11.00 a.m. (London time) or, if the Reference Rate is EURIBOR, at approximately 11.00 a.m. (Brussels time) or, if the Reference Rate is HIBOR, at approximately 11.00 a.m. (Hong Kong time) on the relevant Interest Determination Date, deposits in the Specified Currency for a period equal to that which would have been used for the Reference Rate by leading banks in, if the Reference Rate is LIBOR, the London inter-bank market or, if the Reference Rate is EURIBOR, the Euro-zone inter-bank market or, if the Reference Rate is HIBOR, the Hong Kong inter-bank market, as the case may be, or, if fewer than two of the Reference Banks provide the Issuer with such offered rates, the offered rate for deposits in the Specified Currency for a period equal to that which would have been used for the Reference Rate, or the arithmetic mean of the offered rates for deposits in the Specified Currency for a period equal to that which would have been used for the Reference Rate, at which, if the Reference Rate is LIBOR, at approximately 11.00 a.m. (London time) or, if the Reference Rate is EURIBOR, at approximately 11.00 a.m. (Brussels time) or, if the Reference Rate is HIBOR, at approximately 11.00 a.m. (Hong Kong time), on the relevant Interest Determination Date, any one or more banks (which bank or banks is or are in the opinion of the Issuer suitable for such purpose) informs the Calculation Agent it is quoting to leading banks in, if the Reference Rate is LIBOR, the London inter-bank market or, if the Reference Rate is EURIBOR, the Euro-zone inter-bank market or, if the Reference Rate is HIBOR, the Hong Kong inter-bank market, as the case may be, provided that, if the Rate of Interest cannot be determined in accordance with the foregoing provisions of this Condition 4(b)(iii)(B)(z), the Rate of Interest shall be determined as at the last preceding Interest Determination Date (though substituting, where a different Margin or Maximum or Minimum Rate of Interest is to be applied to the relevant Interest Accrual Period from that which applied to the last preceding Interest Accrual Period, the Margin or Maximum or Minimum Rate of Interest relating to the relevant Interest Accrual Period, in place of the Margin or Maximum or Minimum Rate of Interest relating to that last preceding Interest Accrual Period).
- (C) Screen Rate Determination for Floating Rate Notes where the Reference Rate is specified as being Compounded Daily SONIA
  - (x) For each Floating Rate Note where the Reference Rate is specified as being Compounded Daily SONIA, the Rate of Interest for each Interest Accrual Period will, subject as provided below, be Compounded Daily SONIA plus or minus (as indicated in the applicable Pricing Supplement) the Margin.

**“Compounded Daily SONIA”** means, with respect to an Interest Accrual Period, the rate of return of a daily compound interest investment during the Observation Period corresponding to such Interest Accrual Period (with the daily Sterling Overnight Index Average rate as reference rate for the calculation of interest) and will be calculated by the Calculation Agent (or such other party responsible for the calculation of the Rate of Interest, as specified in the applicable Pricing Supplement) on the Interest Determination Date, as follows, and the resulting percentage will be rounded if necessary to the fifth decimal place, with 0.000005 being rounded upwards:

$$\left[ \prod_{i=1}^{d_o} \left( 1 + \frac{\text{SONIA}_{i-x\text{LBD}} \times n_i}{365} \right) - 1 \right] \times \frac{365}{d}$$

where:

**“d”** means, for the relevant Interest Accrual Period, the number of calendar days in such Interest Accrual Period;

**“d<sub>o</sub>”** means, for the relevant Interest Accrual Period, the number of London Business Days in such Interest Accrual Period;

**“i”** means, for the relevant Interest Accrual Period, a series of whole numbers from one to d<sub>o</sub>, each representing the relevant London Business Day in chronological order from (and including) the first London Business Day in such Interest Accrual Period to (but excluding) the last London Business Day in such Interest Accrual Period;

**“London Business Day”** or **“LBD”** means any day on which commercial banks are open for general business (including dealing in foreign exchange and foreign currency deposits) in London;

**“n<sub>i</sub>”**, for any day “i”, means the number of calendar days from and including such day “i” up to but excluding the following London Business Day;

**“Observation Period”** means, for the relevant Interest Accrual Period, the period from (and including) the date falling five London Business Days (or, if higher, such other number of London Business Days specified in the applicable Pricing Supplement) prior to the first day of such Interest Accrual Period (and the first Interest Accrual Period shall begin on and include the Interest Commencement Date) and ending on (but excluding) the date falling five London Business Days (or, if higher, such other number of London Business Days specified in the applicable Pricing Supplement) prior to the Interest Payment Date at the end of such Interest Accrual Period (or the date falling five London Business Days (or, if higher, such other number of London Business Days specified in the applicable Pricing Supplement) prior to such earlier date, if any, on which the Notes become due and payable);

**“SONIA<sub>i-xLBD</sub>”** means, in respect of any London Business Day falling in the relevant Observation Period, the SONIA Reference Rate for the London Business Day falling five London Business Days (or, if higher, such other number of London Business Days specified in the applicable Pricing Supplement) prior to the relevant London Business Day “i”; and

**“SONIA Reference Rate”** means, in respect of any London Business Day, a reference rate equal to the daily Sterling Overnight Index Average (**“SONIA”**) rate for such London Business Day as provided by the administrator of SONIA to authorised distributors and as then published on the Relevant Screen Page or, if the Relevant Screen Page is unavailable, as otherwise published by such authorised distributors (on the London Business Day immediately following such London Business Day).

- (y) If, subject to Condition 4(o)(i), in respect of any London Business Day in the relevant Observation Period, the Calculation Agent (or such other party responsible for the calculation of the Rate of Interest, as specified in the applicable Pricing Supplement) determines that the SONIA Reference Rate is not available on the Relevant Screen Page or has not otherwise been published by the relevant authorised distributors, such SONIA reference rate shall be:
- (i) the Bank of England’s Bank Rate (the **“Bank Rate”**) prevailing at 5.00 p.m. (or, if earlier, close of business) on the relevant London Business Day; plus
  - (ii) the mean of the spread of the SONIA Reference Rate to the Bank Rate over the previous five days on which a SONIA Reference Rate has been published, excluding the highest spread (or, if there is more than one highest spread, one only of those highest spreads) and lowest spread (or, if there is more than one lowest spread, one only of those lowest spreads) to the Bank Rate.

Notwithstanding the paragraph above, and without prejudice to Condition 4(o)(i), in the event the Bank of England publishes guidance as to:

- (aa) how the SONIA Reference Rate is to be determined; or
- (bb) any rate that is to replace the SONIA Reference Rate,

the Calculation Agent (or such other party responsible for the calculation of the Rate of Interest as specified in the applicable Pricing Supplement, and in consultation with the Issuer) shall, to the extent that it is reasonably practicable, follow such guidance in order to determine the SONIA rate for the purpose of the relevant Series of Notes for so long as the SONIA Reference Rate is not available or has not been published by the authorised distributors.

- (z) In the event that the Rate of Interest cannot be determined in accordance with the foregoing provisions by the Calculation Agent (or such other party responsible for the calculation of the Rate of Interest, as specified in the applicable Pricing Supplement), subject to Condition 4(o)(i), the Rate of Interest shall be:
- (i) that determined as at the last preceding Interest Determination Date (though substituting, where a different Margin or Maximum Rate of Interest or Minimum Rate of Interest is to be applied to the relevant Interest Accrual Period from that which applied to the last preceding Interest Accrual Period, the Margin or Maximum Rate of

Interest or Minimum Rate of Interest (as specified in the applicable Pricing Supplement) relating to the relevant Interest Accrual Period in place of the Margin or Maximum Rate of Interest or Minimum Rate of Interest relating to that last preceding Interest Accrual Period); or

- (ii) if there is no such preceding Interest Determination Date, the initial Rate of Interest which would have been applicable to such Series of Notes for the first Interest Accrual Period had the Notes been in issue for a period equal in duration to the scheduled first Interest Accrual Period but ending on (and excluding) the Interest Commencement Date (but applying the Margin and any Maximum Rate of Interest or Minimum Rate of Interest applicable to the first Interest Accrual Period).

If the relevant Series of Notes become due and payable in accordance with Condition 10, the final Interest Determination Date shall, notwithstanding any Interest Determination Date specified in the applicable Pricing Supplement, be deemed to be the date on which such Notes became due and payable (with corresponding adjustments being deemed to be made to the Compounded Daily SONIA formula) and the Rate of Interest on such Notes shall, for so long as any such Note remains outstanding, be that determined on such date.

- (iv) *Rate of Interest for Index Linked Interest Notes:* The Rate of Interest in respect of Index Linked Interest Notes for each Interest Accrual Period shall be determined in the manner specified in the applicable Pricing Supplement and interest will accrue by reference to an Index or Formula as specified in the applicable Pricing Supplement.
- (c) **Zero Coupon Notes:** Where a Note the Interest Basis of which is specified in the applicable Pricing Supplement to be Zero Coupon is repayable prior to the Maturity Date and is not paid when due, the amount due and payable prior to the Maturity Date shall be the Early Redemption Amount of such Note specified in the applicable Pricing Supplement. As from the Maturity Date, the Rate of Interest for any overdue principal of such a Note shall be a rate per annum (expressed as a percentage) equal to the Amortization Yield (as described in Condition 5(b)(i)(B)).
- (d) **Credit Linked Notes, Equity Linked Notes and Bond Linked Notes:** In the case of Notes which are specified in the applicable Pricing Supplement as being Credit Linked Notes, Equity Linked Notes or Bond Linked Notes, the rate or amount of interest payable shall be determined in the manner specified in the applicable Pricing Supplement.
- (e) **Dual Currency Notes:** In the case of Notes which are specified in the applicable Pricing Supplement as being Dual Currency Notes, if the rate or amount of interest falls to be determined by reference to a Rate of Exchange or a method of calculating Rate of Exchange, the rate or amount of interest payable shall be determined in the manner specified in the applicable Pricing Supplement.
- (f) **Partly-Paid Notes:** In the case of Notes which are specified in the applicable Pricing Supplement as being Partly-Paid Notes (other than Partly-Paid Notes which are Zero Coupon Notes), interest will accrue as aforesaid on the paid-up nominal amount of such Notes and otherwise as specified in the applicable Pricing Supplement.

- (g) **Accrual of Interest:** Interest shall cease to accrue on each Note on the due date for redemption unless, upon due presentation, payment is improperly withheld or refused, in which event interest shall continue to accrue (both before and after judgment) at the Rate of Interest in the manner provided in this Condition 4 to the Relevant Date (as defined in Condition 8).
- (h) **Margin, Maximum/Minimum Rates of Interest, Installment Amounts and Redemption Amounts and Rounding:**
- (i) If any Margin is specified in the applicable Pricing Supplement (either (x) generally, or (y) in relation to one or more Interest Accrual Periods), an adjustment shall be made to all Rates of Interest, in the case of (x), or the Rates of Interest for the specified Interest Accrual Periods, in the case of (y), calculated in accordance with Condition 4(b) by adding (if a positive number) or subtracting (if a negative number) the absolute value of such Margin, subject always to Condition 4(h)(ii).
- (ii) If any Maximum or Minimum Rate of Interest, Installment Amount or Redemption Amount is specified in the applicable Pricing Supplement, then any Rate of Interest, Installment Amount or Redemption Amount shall be subject to such maximum or minimum, as the case may be.
- (iii) For the purposes of any calculations required pursuant to these Conditions (unless otherwise specified), (x) all percentages resulting from such calculations shall be rounded, if necessary, to the nearest one hundred-thousandth of a percentage point (with halves being rounded up), (y) all figures shall be rounded to seven significant figures (with halves being rounded up) and (z) all currency amounts that fall due and payable shall be rounded to the nearest unit of such currency (with halves being rounded up), save in the case of yen, which shall be rounded down to the nearest yen. For these purposes “**unit**” means the lowest amount of such currency that is available as legal tender in the country or countries of such currency.
- (i) **Calculations:** The amount of interest payable per calculation amount specified in the applicable Pricing Supplement (or, if no such amount is so specified, the Specified Denomination) (the “**Calculation Amount**”) in respect of any Note for any Interest Accrual Period shall be equal to the product of the Rate of Interest, the Calculation Amount specified in the applicable Pricing Supplement, and the Day Count Fraction specified in the applicable Pricing Supplement for such Interest Accrual Period, unless an Interest Amount (or a formula for its calculation) is applicable to such Interest Accrual Period, in which case the amount of interest payable per Calculation Amount in respect of such Note for such Interest Accrual Period shall equal such Interest Amount (or be calculated in accordance with such formula). Where any Interest Period comprises two or more Interest Accrual Periods, the amount of interest payable per Calculation Amount in respect of such Interest Period shall be the sum of the Interest Amounts payable in respect of each of those Interest Accrual Periods. In respect of any other period for which interest is required to be calculated, the provisions above shall apply save that the Day Count Fraction shall be for the period for which interest is required to be calculated.

*The amount payable in respect of the aggregate nominal amount of Notes represented by a Global Certificate or Global Note (as the case may be) shall be made in accordance with the methods of calculation provided for in these Conditions, **save that** the calculation is made in respect of the total aggregate amount of the Notes represented by a Global Certificate or a Global Note (as the case may be), together with such other sums and additional amounts (if any) as may be payable under these Conditions.*

- (j) **Determination and Publication of Rates of Interest, Interest Amounts, Final Redemption Amounts, Early Redemption Amounts, Optional Redemption Amounts and Installment Amounts:** The Calculation Agent shall, as soon as practicable on each Interest Determination Date, or such other time on such date as the Calculation Agent may be required to calculate any rate or amount, obtain any quotation or make any determination or calculation, determine such rate and calculate the Interest Amounts for the relevant Interest Accrual Period, calculate the Final Redemption Amount, Early Redemption Amount, Optional Redemption Amount or Installment Amount specified in the applicable Pricing Supplement, obtain such quotation or make such determination or calculation, as the case may be, and cause the Rate of Interest and the Interest Amounts for the relevant Interest Accrual Period and, if required to be calculated, the Final Redemption Amount, Early Redemption Amount, Optional Redemption Amount or any Installment Amount to be notified to the Trustee, the Issuer, each of the Paying Agents, the Noteholders, any other Calculation Agent appointed in respect of the Notes that is to make a further calculation upon receipt of such information and, if the Notes are listed on a stock exchange and the rules of such exchange or other relevant authority so require, such exchange or other relevant authority as soon as possible after their determination but in no event later than (i) the commencement of the relevant Interest Period, if determined prior to such time, in the case of notification to such exchange of a Rate of Interest and Interest Amount, or (ii) in all other cases, the fourth Business Day after such determination. Where any Interest Payment Date or Interest Period Date is subject to adjustment pursuant to Condition 4(b)(ii), the Interest Amounts and the Interest Payment Date so published may subsequently be amended (or appropriate alternative arrangements made by way of adjustment) without notice in the event of an extension or shortening of the Interest Period. If the Notes become due and payable under Condition 10, the accrued interest and the Rate of Interest payable in respect of the Notes shall nevertheless continue to be calculated as previously in accordance with this Condition 4(j) but no publication of the Rate of Interest or the Interest Amount so calculated need be made. The determination of any rate or amount, the obtaining of each quotation and the making of each determination or calculation by the Calculation Agent(s) shall (in the absence of manifest error) be final and binding upon all parties.
- (k) **Determination or Calculation by an agent of the Issuer:** In the case of Notes other than AMTNs, if the Calculation Agent does not at any time for any reason determine or calculate the Rate of Interest for an Interest Accrual Period or any Interest Amount, Installment Amount, Final Redemption Amount, Early Redemption Amount or Optional Redemption Amount, the Issuer shall appoint an agent on its behalf to do so and such determination or calculation shall be deemed to have been made by the Calculation Agent. In doing so, such agent shall apply the foregoing provisions of this Condition 4, with any necessary consequential amendments, to the extent that, in its opinion, it can do so, and, in all other respects it shall do so in such manner as, in its absolute discretion, it shall deem fair and reasonable in all the circumstances. The determination of any rate or amount, the obtaining of each quotation and the making of each determination or calculation by such agent pursuant to this Condition 4(k) shall (in the absence of manifest error) be final and binding upon all parties.
- (l) **Definitions:** In these Conditions, unless the context otherwise requires, the following defined terms shall have the meanings set out below:
- “**Business Day**” means:
- (i) if the Specified Currency is not Singapore dollars, Euro or Renminbi, a day (other than a Saturday or Sunday) on which commercial banks and foreign exchange markets settle payments in the principal financial center for such currency; and/or

- (ii) if the Specified Currency is Euro, a day on which the TARGET System is operating (a “**TARGET Business Day**”); and/or
- (iii) if the Specified Currency is Renminbi:
  - (A) and the Notes are cleared through CMU, a day (other than a Saturday, Sunday or public holiday) on which commercial banks in Hong Kong are generally open for business and settlement of Renminbi payments in Hong Kong;
  - (B) and the Notes are cleared through CDP, a day (other than a Saturday, Sunday or gazetted public holiday) on which banks and foreign exchange markets are open for business and settlement of Renminbi payments in Singapore and Hong Kong; and
  - (C) the Notes are cleared through Euroclear and Clearstream, a day (other than a Saturday or Sunday) on which commercial banks and foreign exchange markets settle payments in London;
- (iv) if the Specified Currency is Singapore dollars:
  - (A) and the Notes are cleared through The Central Depository (Pte) Limited (“**CDP**”), a day (other than a Saturday, Sunday or gazetted public holiday) on which commercial banks settle payments in Singapore; and
  - (B) the Notes are cleared through Euroclear and Clearstream, a day (other than a Saturday or Sunday) on which commercial banks and foreign exchange markets settle payments in London; and/or
- (v) in the case of a Specified Currency and/or one or more Business Centers specified in the applicable Pricing Supplement a day (other than a Saturday or a Sunday) on which commercial banks and foreign exchange markets settle payments in such Specified Currency in the Business Center(s) or, if no Specified Currency is indicated, generally in each of the Business Centers.

“**Day Count Fraction**” means, in respect of the calculation of an amount of interest on any Note for any period of time (from and including the first day of such period to but excluding the last) (whether or not constituting an Interest Period or an Interest Accrual Period, the “**Calculation Period**”):

- (i) if “**Actual/Actual**” or “**Actual/Actual – ISDA**” is specified in the applicable Pricing Supplement, the actual number of days in the Calculation Period divided by 365 (or, if any portion of that Calculation Period falls in a leap year, the sum of (A) the actual number of days in that portion of the Calculation Period falling in a leap year divided by 366 and (B) the actual number of days in that portion of the Calculation Period falling in a non-leap year divided by 365);
- (ii) if “**Actual/365 (Fixed)**” is specified in the applicable Pricing Supplement, the actual number of days in the Calculation Period divided by 365;
- (iii) if “**Actual/360**” is specified in the applicable Pricing Supplement, the actual number of days in the Calculation Period divided by 360;



- (iv) if “**30/360**”, “**360/360**” or “**Bond Basis**” is specified in the applicable Pricing Supplement, the number of days in the Calculation Period divided by 360, calculated on a formula basis as follows:

$$\text{Day Count Fraction} = \frac{[360 \times (Y_2 - Y_1)] + [30 \times (M_2 - M_1)] + (D_2 - D_1)}{360}$$

where:

“**Y<sub>1</sub>**” is the year, expressed as a number, in which the first day of the Calculation Period falls;

“**Y<sub>2</sub>**” is the year, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

“**M<sub>1</sub>**” is the calendar month, expressed as a number, in which the first day of the Calculation Period falls;

“**M<sub>2</sub>**” is the calendar month, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

“**D<sub>1</sub>**” is the first calendar day, expressed as a number, of the Calculation Period, unless such number would be 31, in which case **D<sub>1</sub>** will be 30; and

“**D<sub>2</sub>**” is the calendar day, expressed as a number, immediately following the last day included in the Calculation Period, unless such number would be 31 and **D<sub>1</sub>** is greater than 29, in which case **D<sub>2</sub>** will be 30;

- (v) if “**30E/360**” or “**Eurobond Basis**” is specified in the applicable Pricing Supplement, the number of days in the Calculation Period divided by 360, calculated on a formula basis as follows:

$$\text{Day Count Fraction} = \frac{[360 \times (Y_2 - Y_1)] + [30 \times (M_2 - M_1)] + (D_2 - D_1)}{360}$$

where:

“**Y<sub>1</sub>**” is the year, expressed as a number, in which the first day of the Calculation Period falls;

“**Y<sub>2</sub>**” is the year, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

“**M<sub>1</sub>**” is the calendar month, expressed as a number, in which the first day of the Calculation Period falls;

“**M<sub>2</sub>**” is the calendar month, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

“**D<sub>1</sub>**” is the first calendar day, expressed as a number, of the Calculation Period, unless such number would be 31, in which case **D<sub>1</sub>** will be 30; and

“**D<sub>2</sub>**” is the calendar day, expressed as a number, immediately following the last day included in the Calculation Period, unless such number would be 31, in which case **D<sub>2</sub>** will be 30;

- (vi) if “**30E/360 (ISDA)**” is specified in the applicable Pricing Supplement, the number of days in the Calculation Period divided by 360, calculated on a formula basis as follows:

$$\text{Day Count Fraction} = \frac{[360 \times (Y_2 - Y_1)] + [30 \times (M_2 - M_1)] + (D_2 - D_1)}{360}$$

where:

“**Y<sub>1</sub>**” is the year, expressed as a number, in which the first day of the Calculation Period falls;

“**Y<sub>2</sub>**” is the year, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

“**M<sub>1</sub>**” is the calendar month, expressed as a number, in which the first day of the Calculation Period falls;

“**M<sub>2</sub>**” is the calendar month, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

“**D<sub>1</sub>**” is the first calendar day, expressed as a number, of the Calculation Period, unless (i) that day is the last day of February or (ii) such number would be 31, in which case D1 will be 30; and

“**D<sub>2</sub>**” is the calendar day, expressed as a number, immediately following the last day included in the Calculation Period, unless (i) that day is the last day of February but not the Maturity Date or (ii) such number would be 31, in which case D2 will be 30;

- (vii) if “**Actual/Actual – ICMA**” is specified in the applicable Pricing Supplement:
- (A) if the Calculation Period is equal to or shorter than the Determination Period during which it falls, the number of days in the Calculation Period divided by the product of (x) the number of days in such Determination Period and (y) the number of Determination Periods normally ending in any year; and
- (B) if the Calculation Period is longer than one Determination Period, the sum of:
- (x) the number of days in such Calculation Period falling in the Determination Period in which it begins divided by the product of (1) the number of days in such Determination Period and (2) the number of Determination Periods normally ending in any year; and
- (y) the number of days in such Calculation Period falling in the next Determination Period divided by the product of (1) the number of days in such Determination Period and (2) the number of Determination Periods normally ending in any year

where:

“**Determination Date**” means the date(s) specified as such in the applicable Pricing Supplement or, if none is so specified, the Interest Payment Date(s); and

“**Determination Period**” means the period from and including a Determination Date in any year to but excluding the next Determination Date; and

(viii) if “**RBA Bond Basis**” is specified in the applicable Pricing Supplement, means one divided by the number of Interest Payment Dates in a year (or where the Calculation Period does not constitute an Interest Period, the actual number of days in the Calculation Period divided by 365 (or, if any portion of the Calculation Period falls in a leap year, the sum of:

- (A) the actual number of days in that portion of the Calculation Period falling in a leap year divided by 366; and
- (B) the actual number of days in that portion of the Calculation Period falling in a non-leap year divided by 365)).

“**Euro**” means the currency of the member states of the European Union that adopt the single currency in accordance with the Treaty establishing the European Community, as amended from time to time.

“**Euro-zone**” means the region comprising member states of the European Union that adopt the single currency in accordance with the Treaty establishing the European Community, as amended from time to time.

“**Hong Kong dollars**” means the lawful currency of Hong Kong.

“**Interest Accrual Period**” means the period beginning on (and including) the Interest Commencement Date and ending on (but excluding) the first Interest Period Date and each successive period beginning on (and including) an Interest Period Date and ending on (but excluding) the next succeeding Interest Period Date.

“**Interest Amount**” means:

- (i) in respect of an Interest Accrual Period, the amount of interest payable per Calculation Amount for that Interest Accrual Period and which, in the case of Fixed Rate Notes, and unless otherwise specified in the applicable Pricing Supplement, shall mean the Fixed Coupon Amount or Broken Amount specified in the applicable Pricing Supplement as being payable on the Interest Payment Date ending the Interest Period of which such Interest Accrual Period forms part; and
- (ii) in respect of any other period, the amount of interest payable per Calculation Amount for that period.

“**Interest Commencement Date**” means the Issue Date or such other date as may be specified in the applicable Pricing Supplement.

“**Interest Determination Date**” means, with respect to a Rate of Interest and Interest Accrual Period, the date specified as such in the applicable Pricing Supplement or, if none is so specified, (i) the first day of such Interest Accrual Period if the Specified Currency is Sterling or Hong Kong dollars or Renminbi or (ii) the day falling two Business Days in the relevant Financial Center for the Specified Currency prior to the first day of such Interest Accrual Period if the Specified Currency is neither Sterling nor Euro nor Hong Kong dollars nor Renminbi or (iii) the day falling two TARGET Business Days prior to the first day of such Interest Accrual Period if the Specified Currency is Euro.

**“Interest Period”** means the period beginning on (and including) the Interest Commencement Date and ending on (but excluding) the first Interest Payment Date and each successive period beginning on (and including) an Interest Payment Date and ending on (but excluding) the next succeeding Interest Payment Date.

**“Interest Period Date”** means each Interest Payment Date unless otherwise specified in the applicable Pricing Supplement.

**“ISDA Definitions”** means the 2006 ISDA Definitions, as published by the International Swaps and Derivatives Association, Inc., unless otherwise specified in the applicable Pricing Supplement.

**“Rate of Interest”** means the rate of interest payable from time to time in respect of this Note and that is either specified or calculated in accordance with the provisions in the applicable Pricing Supplement.

**“Reference Banks”** means (i) in the case of a determination of LIBOR, the principal London office of four major banks in the London inter-bank market, (ii) in the case of a determination of EURIBOR, the principal Euro-zone office of four major banks in the Euro-zone inter-bank market and (iii) in the case of a determination of HIBOR, the principal Hong Kong office of four major banks in the Hong Kong inter-bank market, in each case selected by the Issuer or as specified in the applicable Pricing Supplement.

**“Reference Rate”** means the rate specified as such in the applicable Pricing Supplement. **“Relevant Screen Page”** means such page, section, caption, column or other part of a particular information service as may be specified in the applicable Pricing Supplement or such other page, section, caption, column or other part as may replace it on that information service or such other information service, in each case, as may be nominated by the person providing or sponsoring the information appearing there for the purpose of displaying rates or prices comparable to the Reference Rate.

**“Relevant Time”** means, with respect to any Interest Determination Date, the local time in the relevant Financial Center specified in the applicable Pricing Supplement or, if none is specified, the local time in the relevant financial center at which it is customary to determine bid and offered rates in respect of deposits in the relevant currency in the inter-bank market in the relevant financial center or, if no such customary local time exists, 11:00 a.m. in the relevant financial center and, for the purpose of this definition **“local time”** means, with respect to the Euro-zone as a relevant financial center, Central European Time.

**“Renminbi”** and **“CNY”** means the lawful currency of the PRC (as defined herein).

**“Specified Currency”** means the currency specified as such in the applicable Pricing Supplement or, if none is specified, the currency in which the Notes are denominated.

**“Sterling”** means pound sterling, the lawful currency of the United Kingdom.

**“TARGET System”** means the Trans-European Automated Real-Time Gross Settlement Express Transfer (known as TARGET2) System which was launched on November 19, 2007 or any successor thereto.

**“Yen”** means the lawful currency of Japan.

- (m) **Calculation Agent:** The Issuer shall procure that there shall at all times be one or more Calculation Agents if provision is made for them in the applicable Pricing Supplement and for so long as any Note is outstanding (as defined, in the case of Notes other than AMTNs, in the Trust Deed and, in the case of AMTNs, in the Note (AMTN) Deed Poll). Where more than one Calculation Agent is appointed in respect of the Notes, references in these Conditions to the Calculation Agent shall be construed as each Calculation Agent performing its respective duties under these Conditions. If the Calculation Agent is unable or unwilling to act as such or if the Calculation Agent fails duly to establish the Rate of Interest for an Interest Accrual Period or to calculate any Interest Amount, Installment Amount, Final Redemption Amount, Early Redemption Amount or Optional Redemption Amount, as the case may be, or to comply with any other requirement, the Issuer shall appoint a leading bank or financial institution engaged in the inter-bank market (or, if appropriate, money, swap or over-the-counter index options market) that is most closely connected with the calculation or determination to be made by the Calculation Agent (acting through its principal London office or any other office actively involved in such market) to act as such in its place. The Calculation Agent may not resign its duties without a successor having been appointed as aforesaid.
- (n) **Interest on Floating Rate Notes or Variable Rate Notes (for Singapore Dollar Notes):** Unless otherwise specified in the applicable Pricing Supplement, the following provisions will apply to Singapore Dollar Notes which are specified in the applicable Pricing Supplement as being either Floating Rate Notes or Variable Rate Notes. Terms used in this Condition 4(n) are defined in Condition 4(n)(vii).
- (i) *Interest Payment Dates:* Each Floating Rate Note or Variable Rate Note bears interest on its Calculation Amount from and including the Interest Commencement Date in respect thereof and as shown on the face of such Note, and such interest will be payable in arrear on each date (“**Interest Payment Date**”) which (save as mentioned in this Condition 4(n)) falls the number of months specified as the Interest Period on the face of the Note (the “**Specified Number of Months**”) after the preceding Interest Payment Date or, in the case of the first Interest Payment Date, after the Interest Commencement Date (and which corresponds numerically with such preceding Interest Payment Date or Interest Commencement Date, as the case may be), provided that the Agreed Yield (as defined in Condition 4(n)(iii)) in respect of any Variable Rate Note for any Interest Period (as defined below) relating to that Variable Rate Note shall be payable on the first day of that Interest Period. If any Interest Payment Date would otherwise fall on a day which is not a business day (as defined below), it shall be postponed to the next day which is a business day unless it would thereby fall into the next calendar month. In any such case as aforesaid or if there is no date in the relevant month which corresponds numerically with the preceding Interest Payment Date or, as the case may be, the Interest Commencement Date (a) the Interest Payment Date shall be brought forward to the immediately preceding business day and (b) each subsequent Interest Payment Date shall be the last business day of the month which is the last of the Specified Number of Months after the month in which the preceding Interest Payment Date or, as the case may be, the Interest Commencement Date shall have fallen.

The period beginning on (and including) the Interest Commencement Date and ending on (but excluding) the first Interest Payment Date and each successive period beginning on (and including) an Interest Payment Date and ending on (but excluding) the next succeeding Interest Payment Date is herein called an “Interest Period” and “**business day**” in this Condition 4(n) means a day (other than Saturday or Sunday) on which commercial banks are open for business in Singapore.

Interest will cease to accrue on each Floating Rate Note or Variable Rate Note from the due date for redemption thereof unless, upon due presentation thereof, payment of principal (or the Redemption Amount, as the case may be) is improperly withheld or refused, in which event interest will continue to accrue (as well after as before judgment) at the rate and in the manner provided in this Condition 4(n) and the Agency Agreement to the Relevant Date.

(ii) *Rate of Interest-Floating Rate Notes:*

(A) Each Floating Rate Note bears interest at a floating rate determined by reference to a benchmark as stated on the face of such Floating Rate Note and the applicable Pricing Supplement, being the Singapore Interbank Offered Rate (“**SIBOR**”) (in which case such Note will be a SIBOR Note), Swap Rate (in which case such Note will be a Swap Rate Note) or the Compounded Daily Singapore Overnight Rate Average (“**SORA**”) (in which case such Note will be a SORA Note) or in any case such other benchmark as is set out on the face of such Note.

Such floating rate may be adjusted by adding or subtracting the Margin (if any) stated on the face of such Note. The “Margin” is the percentage rate per annum specified on the face of such Note as being applicable to the rate of interest for such Note. The rate of interest so calculated shall be subject to Condition 4(n)(iv).

(B) The rate of interest payable in respect of a Floating Rate Note from time to time is referred to in this Condition 4(n) as the “**Rate of Interest**”. The Rate of Interest payable from time to time in respect of each Floating Rate Note under this Condition 4(n) will be determined by the Calculation Agent on the basis of the following provisions:

(x) in the case of Floating Rate Notes which are specified in the applicable Pricing Supplement as being SIBOR Notes:

(1) the Calculation Agent will, at or about the Relevant Time on the relevant Interest Determination Date in respect of each Interest Period, determine the Rate of Interest for such Interest Period which shall be the offered rate for deposits in Singapore dollars for a period equal to the duration of such Interest Period which appears on the Reuters Screen ABSFIX01 page under the caption “ABS SIBOR FIX – SIBOR AND SWAP OFFER RATES – RATES AT 11:00 HRS SINGAPORE TIME” and the column headed “SGD SIBOR” (or such other Relevant Screen Page);

(2) if no such rate appears on the Reuters Screen ABSFIX01 page (or such other replacement page thereof or, if no rate appears, on such other Relevant Screen Page) or if Reuters Screen ABSFIX01 page (or such other replacement page thereof or such other Relevant Screen Page) is unavailable for any reason, the Calculation Agent will determine the Rate of Interest for such Interest Period as being the rate (or if there is more than one rate which is published, the arithmetic mean of those rates (which shall be rounded up to the nearest 1/16th%)) for a period equal to the duration of such Interest Period published by a recognised industry body where such rate is widely used (after taking into account the industry practice at that time), or by such other relevant authority as such Calculation Agent may select;

- (3) if on any Interest Determination Date such Calculation Agent is otherwise unable to determine the Rate of Interest under paragraphs (1) and (2) above, the Issuer will request the principal Singapore offices of each of the Reference Banks to provide the Issuer with the rate at which deposits in Singapore dollars are offered by it at approximately the Relevant Time on the Interest Determination Date to prime banks in the Singapore inter-bank market for a period equivalent to the duration of such Interest Period commencing on such Interest Payment Date in an amount comparable to the aggregate nominal amount of the relevant Floating Rate Notes and such rate shall be notified to the Calculation Agent. The Rate of Interest for such Interest Period shall be the arithmetic mean (rounded up, if necessary, to the nearest 1/16%) of such offered quotations, as determined by the Calculation Agent;
- (4) if on any Interest Determination Date two but not all the Reference Banks provide the Issuer with such quotations, the Rate of Interest for the relevant Interest Period shall be determined in accordance with (3) above on the basis of the quotations of those Reference Banks providing such quotations; and
- (5) if on any Interest Determination Date one only or none of the Reference Banks provides the Issuer with such quotations, the Rate of Interest for the relevant Interest Period shall be the rate per annum which the Calculation Agent determines to be the arithmetic mean (rounded up, if necessary, to the nearest 1/16%) of the rates quoted by the Reference Banks or those of them (being at least two in number) to the Issuer at or about the Relevant Time on such Interest Determination Date as being their cost (including the cost occasioned by or attributable to complying with reserves, liquidity, deposit or other requirements imposed on them by any relevant authority or authorities) of funding, for the relevant Interest Period, an amount equal to the aggregate nominal amount of the relevant Floating Rate Notes for such Interest Period by whatever means they determine to be most appropriate or if on such Interest Determination Date one only or none of the Reference Banks provides the Issuer with such quotation, the rate per annum which the Calculation Agent determines to be arithmetic mean (rounded up, if necessary, to the nearest 1/16%) of the prime lending rates for Singapore dollars quoted by the Reference Banks at or about the Relevant Time on such Interest Determination Date, provided that, if the Rate of Interest cannot be determined in accordance with the foregoing provisions of this Condition 4(n)(ii)(B)(x), the Rate of Interest shall be determined as at the last preceding Interest Determination Date (though substituting, where a different Margin or Maximum or Minimum Rate of Interest is to be applied to the relevant Interest Period from that which applied to the last preceding Interest Period, the Margin or Maximum or Minimum Rate of Interest relating to the relevant Interest Period in place of the Margin or Maximum or Minimum Rate of Interest relating to that last preceding Interest Period).

- (y) in the case of Floating Rate Notes which are specified in the applicable Pricing Supplement as being Swap Rate Notes:
- (1) the Calculation Agent will, at or about the Relevant Time on the relevant Interest Determination Date in respect of each Interest Period, determine the Rate of Interest for such Interest Period which shall be the Average Swap Rate for such Interest Period (determined by the Calculation Agent as being the rate which appears on the Reuters Screen ABSFIX01 page under the caption "SGD SOR rates as of 11:00 hrs London time" under the column headed "SGD SOR" (or such other page as may replace Reuters Screen ABSFIX01 page for the purpose of displaying the swap rates of leading reference banks) at or about the Relevant Time on such Interest Determination Date and for a period equal to the duration of such Interest Period);
  - (2) if on any Interest Determination Date, no such rate is quoted on Reuters Screen ABSFIX01 page (or such other replacement page as aforesaid) or Reuters Screen ABSFIX01 page (or such other replacement page as aforesaid) is unavailable for any reason, the Calculation Agent will determine the Average Swap Rate (which shall be rounded up to the nearest 1/16%) as the rate for such Interest Period published by a recognized industry body where such rate is widely used (after taking into account the industry practice at that time), or by such other relevant authority as the Calculation Agent may select;
  - (3) if on any Interest Determination Date the Calculation Agent is unable to determine the Average Swap Rate under Condition 4(n)(ii)(B)(y)(2), the Average Swap Rate shall be determined by the Calculation Agent to be the rate per annum equal to the arithmetic mean (rounded up, if necessary, to the nearest 1/16%) of the rates quoted by the Reference Banks or those of them (being at least two in number) to the Issuer at or about the Relevant Time on such Interest Determination Date as being their cost (including the cost occasioned by or attributable to complying with reserves, liquidity, deposit or other requirements imposed on them by any relevant authority or authorities) of funding, for the relevant Interest Period, in an amount equal to the aggregate nominal amount of the relevant Floating Rate Notes for such Interest Period by whatever means they determine to be most appropriate and the Rate of Interest for the relevant Interest Period shall be the Average Swap Rate (as so determined by the Calculation Agent), or if on such Interest Determination Date one only or none of the Reference Banks provides the Issuer with such quotation, the Rate of Interest for the relevant Interest Period shall be the rate per annum equal to the arithmetic mean (rounded up, if necessary, to the nearest 1/16%) of the prime lending rates for Singapore dollars quoted by the Reference Banks at or about the Relevant Time on such Interest Determination Date and such rate shall be notified to the Calculation Agent, provided that, if the Rate of Interest cannot be determined in accordance with the foregoing provisions of this Condition 4(n)(ii)(B)(y), the Rate of Interest shall be determined as at the last preceding Interest Determination Date (though substituting, where a different Margin or Maximum or Minimum Rate of Interest is to be applied to the relevant Interest Period from



that which applied to the last preceding Interest Period, the Margin or Maximum or Minimum Rate of Interest relating to the relevant Interest Period, in place of the Margin or Maximum or Minimum Rate of Interest relating to that last preceding Interest Period).

- (z) in the case of Floating Rate Notes which are specified in the applicable Pricing Supplement as being SORA Notes, the Rate of Interest for each Interest Accrual Period will, subject as provided below, be Compounded Daily SORA (as defined below) plus or minus the Margin:

- (1) where Lookback is specified in the applicable Pricing Supplement:

**“Compounded Daily SORA”** means, with respect to an Interest Accrual Period, the rate of return of a daily compound interest investment during the Observation Period corresponding to such Interest Accrual Period (with the reference rate for the calculation of interest being the daily Singapore Overnight Rate Average) calculated in accordance with the formula set forth below by the Calculation Agent (or such other party responsible for the calculation of the Rate of Interest, as specified in the applicable Pricing Supplement) on the Interest Determination Date, with the resulting percentage being rounded, if necessary, to the nearest one ten-thousandth of a percentage point (0.0001%), with 0.00005% being rounded upwards.

$$\left[ \prod_{i=1}^{d_o} \left( 1 + \frac{SORA_{i-x_{SBD}} \times n_i}{365} \right) - 1 \right] \times \frac{365}{d}$$

where:

**“d”** is the number of calendar days in the relevant Interest Accrual Period;

**“d<sub>o</sub>”**, for any Interest Accrual Period, is the number of Singapore Business Days in the relevant Interest Accrual Period;

**“i”**, for the relevant Interest Accrual Period, is a series of whole numbers from one to d<sub>o</sub>, each representing the relevant Singapore Business Days in chronological order from, and including, the first Singapore Business Day in such Interest Accrual Period to, but excluding, the last Singapore Business Day in such Interest Accrual Period;

**“Interest Determination Date”** means, with respect to a Rate of Interest and Interest Accrual Period, the date falling one Singapore Business Day after the end of each Observation Period;

**“n<sub>i</sub>”**, for any day “i”, is the number of calendar days from and including such day “i” up to but excluding the following Singapore Business Day;

**“Singapore Business Days”** or **“SBD”** means a day (other than a Saturday, Sunday or gazetted public holiday) on which commercial banks settle payments in Singapore;

**“Observation Period”** means, for the relevant Interest Accrual Period, the period from, and including, the date falling five Singapore Business Days (or such other number of Singapore Business Days specified in the applicable Pricing Supplement) prior to the first day of such Interest Accrual Period (and the first Interest Accrual Period shall begin on and include the Interest Commencement Date) and to, but excluding, the date falling five Singapore Business Days (or such other number of Singapore Business Days specified in the applicable Pricing Supplement) prior to the Interest Payment Date at the end of such Interest Accrual Period (or the date falling five Singapore Business Days (or such other number of Singapore Business Days specified in the applicable Pricing Supplement) prior to such earlier date, if any, on which the Notes become due and payable);

**“SORA”** means, in respect of any Singapore Business Day “i”, a reference rate equal to the daily Singapore Overnight Rate Average provided by the Monetary Authority of Singapore (or a successor administrator), as the administrator of the benchmark, on the Monetary Authority of Singapore’s website currently at <http://www.mas.gov.sg>, or any successor website officially designated by the Monetary Authority of Singapore (or as published by its authorised distributors) (the **“Relevant Screen Page”**) on the Singapore Business Day immediately following such day “i”; and

**“SORA<sub>i-x SBD</sub>”**, in respect of any Singapore Business Day falling in the relevant Observation Period, the reference rate equal to SORA in respect of the Singapore Business Day falling five Singapore Business Days (or such other number of Singapore Business Days specified in the applicable Pricing Supplement) prior to the relevant Singapore Business Day “i”.

- (2) where Backward Shifted Observation Period is specified in the applicable Pricing Supplement:

**“Compounded Daily SORA”** means, with respect to an Interest Accrual Period, the rate of return of a daily compound interest investment during the Observation Period corresponding to such Interest Accrual Period (with the reference rate for the calculation of interest being the daily Singapore Overnight Rate Average) calculated in accordance with the formula set forth below by the Calculation Agent (or such other party responsible for the calculation of the Rate of Interest, as specified in the applicable Pricing Supplement) on the Interest Determination Date, with the resulting percentage being rounded, if necessary, to the nearest one ten-thousandth of a percentage point (0.0001%), with 0.00005% being rounded upwards.

$$\left[ \prod_{i=1}^{d_o} \left( 1 + \frac{SORA_i \times n_i}{365} \right) - 1 \right] \times \frac{365}{d}$$

where:

“**d**” is the number of calendar days in the relevant Observation Period;

“**d<sub>o</sub>**”, for any Interest Accrual Period, is the number of Singapore Business Days in the relevant Observation Period;

“**i**”, for the relevant Interest Accrual Period, is a series of whole numbers from one to **d<sub>o</sub>**, each representing the relevant Singapore Business Days in chronological order from, and including, the first Singapore Business Day in such Observation Period to, but excluding, the last Singapore Business Day in such Observation Period;

“**Interest Determination Date**” means, with respect to a Rate of Interest and Interest Accrual Period, the date falling one Singapore Business Day after the end of each Observation Period;

“**n<sub>i</sub>**”, for any day “**i**”, is the number of calendar days from and including such day “**i**” up to but excluding the following Singapore Business Day;

“**Singapore Business Days**” or “**SBD**” means a day (other than a Saturday, Sunday or gazetted public holiday) on which commercial banks settle payments in Singapore;

“**Observation Period**” means, for the relevant Interest Accrual Period, the period from, and including, the date falling five Singapore Business Days (or such other number of Singapore Business Days specified in the applicable Pricing Supplement) prior to the first day of such Interest Accrual Period (and the first Interest Accrual Period shall begin on and include the Interest Commencement Date) and to, but excluding, the date falling five Singapore Business Days (or such other number of Singapore Business Days specified in the applicable Pricing Supplement) prior to the Interest Payment Date at the end of such Interest Accrual Period (or the date falling five Singapore Business Days (or such other number of Singapore Business Days specified in the applicable Pricing Supplement) prior to such earlier date, if any, on which the Notes become due and payable);

“**SORA**” means, in respect of any Singapore Business Day “**i**”, a reference rate equal to the daily Singapore Overnight Rate Average provided by the Monetary Authority of Singapore (or a successor administrator), as the administrator of the benchmark, on the Monetary Authority of Singapore’s website currently at <http://www.mas.gov.sg>, or any successor website officially designated by the Monetary Authority of Singapore (or as published by its authorised distributors) (the “**Relevant Screen Page**”) on the Singapore Business Day immediately following such day “**i**”; and

“SORA<sub>i</sub>”, in respect of any Singapore Business Day falling in the relevant Observation Period, the reference rate equal to SORA in respect of that Singapore Business Day.

*For the avoidance of doubt, the formula for the calculation of Compounded Daily SORA only compounds SORA in respect of any Singapore Business Day. SORA applied to a day that is not a Singapore Business Day will be taken by applying SORA for the previous Singapore Business Day but without compounding.*

- (3) If, subject to Condition 4(o)(iv), by 5:00 p.m., Singapore time, on the Singapore Business Day immediately following such day “i”, SORA in respect of such day “i” has not been published and a SORA Index Cessation Event has not occurred, then SORA for that day “i” will be SORA as published in respect of the first preceding Singapore Business Day for which SORA was published.
- (4) In the event that the Rate of Interest cannot be determined in accordance with the foregoing provisions by the Calculation Agent (or such other party responsible for the calculation of the Rate of Interest, as specified in the applicable Pricing Supplement), subject to Condition 4(o)(iv), the Rate of Interest shall be:
  - (A) that determined as at the last preceding Interest Determination Date (though substituting, where a different Margin or Maximum Rate of Interest or Minimum Rate of Interest is to be applied to the relevant Interest Accrual Period from that which applied to the last preceding Interest Accrual Period, the Margin or Maximum Rate of Interest or Minimum Rate of Interest (as specified in the applicable Pricing Supplement) relating to the relevant Interest Accrual Period in place of the Margin or Maximum Rate of Interest or Minimum Rate of Interest relating to that last preceding Interest Accrual Period); or
  - (B) if there is no such preceding Interest Determination Date, the initial Rate of Interest which would have been applicable to such Series of Notes for the first Interest Accrual Period had the Notes been in issue for a period equal in duration to the scheduled first Interest Accrual Period but ending on (and excluding) the Interest Commencement Date (but applying the Margin and any Maximum Rate of Interest or Minimum Rate of Interest applicable to the first Interest Accrual Period).

If the relevant Series of Notes become due and payable in accordance with Condition 10, the final Interest Determination Date shall, notwithstanding any Interest Determination Date specified in the applicable Pricing Supplement, be deemed to be the date on which such Notes became due and payable (with corresponding adjustments being deemed to be made to the Compounded Daily SORA formula) and the Rate of Interest on such Notes shall, for so long as any such Note remains outstanding, be that determined on such date.

- (C) On the last day of each Interest Period, the Issuer will pay interest on each Floating Rate Note to which such Interest Period relates at the Rate of Interest for such Interest Period.

(iii) *Agreed Yield – Variable Rate Notes*

- (A) Each Variable Rate Note bears interest at a variable rate determined in accordance with the provisions of this Condition 4(n)(iii). The interest payable in respect of a Variable Rate Note for each Interest Period relating to that Variable Rate Note, which shall be payable on the first day of such Interest Period, is referred to in this Condition 4(n)(iii) as the “**Agreed Yield**”.
- (B) The Agreed Yield payable from time to time in respect of each Variable Rate Note for each Interest Period relating to such Variable Rate Note shall be determined as follows:
  - (x) not earlier than 9.00 a.m. (Singapore time) on the ninth business day nor later than 3.00 p.m. (Singapore time) on the fifth business day prior to the commencement of each Interest Period, the Issuer and the Relevant Dealer (as defined below) shall endeavor to agree on an Agreed Yield in respect of such Variable Rate Note for such Interest Period; and
  - (y) if the Issuer and the Relevant Dealer shall not have agreed an Agreed Yield in respect of such Variable Rate Note for such Interest Period by 3.00 p.m. (Singapore time) on the fifth business day prior to the commencement of such Interest Period, or if there shall be no Relevant Dealer during the period for agreement referred to in Condition 4(n)(iii)(B)(x), the Agreed Yield for such Variable Rate Note for such Interest Period shall be zero.
- (C) The Issuer has undertaken to the Issuing and Paying Agent and the Calculation Agent that it will as soon as possible after the Agreed Yield in respect of any Variable Rate Note is determined but not later than 10.30 a.m. (Singapore time) on the next following business day:
  - (x) notify the Issuing and Paying Agent and the Calculation Agent in writing of the Agreed Yield for such Variable Rate Note for such Interest Period; and
  - (y) cause such Agreed Yield for such Variable Rate Note to be notified by the Issuing and Paying Agent to the relevant Noteholder at its request.
- (D) The Issuer will pay the Agreed Yield applicable to each Variable Rate Note for each Interest Period relating to such Variable Rate Note on the first day of such Interest Period.

(iv) *Determination of Rate of Interest and Calculation of Interest Amounts*

The Calculation Agent will, at the Relevant Time on each Interest Determination Date, determine the Rate of Interest and calculate the amount of interest payable (the “**Interest Amounts**”) in respect of each denomination of the relevant Floating Rate Notes for the relevant Interest Period. The Interest Amounts shall be calculated by applying the Rate of Interest to the Calculation Amount, multiplying such product by the actual number of days in the Interest Period concerned,

divided by the FRN Day Basis shown on the face of such Note and rounding the resultant figure to the nearest cent. The determination of the Rate of Interest and the Interest Amounts by the Calculation Agent shall (in the absence of manifest error) be final and binding upon all parties.

(v) *Duration of Rate of Interest and Interest Amounts*

The Calculation Agent will cause the Rate of Interest and the Interest Amounts for each Interest Period and the relevant Interest Payment Date to be notified to the Issuing and Paying Agent, the Issuer and each of the Paying Agents and to be notified to Noteholders and, if the Notes are listed on a stock exchange and the rules of such exchange or other relevant authority so require, such exchange or other relevant authority as soon as possible after their determination but in no event later than (i) the commencement of the relevant Interest Period, if determined prior to such time, in the case of notification to such exchange or other relevant authority, or (ii) in all other cases the fourth Relevant Business Day thereafter. The Interest Amounts and the Interest Payment Date so published may subsequently be amended (or appropriate alternative arrangements made by way of adjustment) without notice in the event of an extension or shortening of the Interest Period.

(vi) *Calculation Agent and Reference Banks*

The Issuer will procure that, so long as any relevant Floating Rate Note remains outstanding, there shall at all times be three Reference Banks and a Calculation Agent. If any Reference Bank (acting through its relevant office) is unable or unwilling to continue to act as a Reference Bank or the Calculation Agent is unable or unwilling to act as such or if the Calculation Agent fails duly to establish the Rate of Interest for any Interest Period or to calculate the Interest Amounts or the Redemption Amount, the Issuer will appoint the Singapore office of a leading bank or merchant bank engaged in the Singapore inter-bank market to act as such in its place and will notify such change(s) to the Noteholders. The Calculation Agent may not resign its duties without a successor having been appointed as aforesaid.

(vii) *Definitions*

As used in this Condition 4(n):

**“Calculation Agent”** means the calculation agent designated for the relevant Notes;

**“Calculation Amount”** means the amount specified as such on the face of any Note, or if no such amount is so specified, the Denomination Amount of such Note as shown on the face thereof;

**“Interest Commencement Date”** means, in the case of the first issue of a Note or Notes of a Series, the Issue Date or such other date as may be specified as the Interest Commencement on the face of such Note and, in the case of a further issue of a Note or Notes of such Series, means the most recent Reference Date or, as the case may be, Interest Payment Date in relation to such first issue next preceding the date on which such further Note or Notes are issued or if there is no such date, the Interest Commencement Date in respect of such first issue;

**“Interest Determination Date”** means, in respect of any Interest Period, that number of business days prior thereto as is set out in the applicable Pricing Supplement or on the face of the relevant Note;

**“Reference Banks”** means the principal Singapore office of three major banks in the Singapore Inter-bank market, selected by the Issuer or as specified in the applicable Pricing Supplement;

**“Relevant Dealer”** means, in respect of any Variable Rate Note, the Dealer (if any) party to the Program Agreement referred to in the Agency Agreement with whom the Issuer has concluded an agreement for the issue of such Variable Rate Note pursuant to the Program Agreement; and

**“Relevant Time”** means 11.00 a.m. (Singapore time).

(o) **Benchmark Discontinuation**

(i) Benchmark Discontinuation (General)

Where the Pricing Supplement specifies this Condition 4(o)(i) as applicable:

(A) Independent Adviser

If a Benchmark Event occurs in relation to an Original Reference Rate when any Rate of Interest (or any component part thereof) remains to be determined by reference to such Original Reference Rate, the Issuer shall use its reasonable endeavours to appoint an Independent Adviser, as soon as reasonably practicable, to determine a Successor Rate, or failing which, an Alternative Rate (in accordance with Condition 4(o)(i)(B)) and, in either case, an Adjustment Spread and any Benchmark Amendments (in accordance with Condition 4(o)(i)(D)).

In making such determination, the Independent Adviser appointed pursuant to this Condition 4(o)(i) shall act in good faith as an expert and in consultation with the Issuer. In the absence of bad faith or fraud, the Independent Adviser shall have no liability whatsoever to the Issuer, the Trustee, the Paying Agents or the Noteholders for any determination made by it, pursuant to this Condition 4(o)(i).

If:

- (i) the Issuer is unable to appoint an Independent Adviser; or
- (ii) the Independent Adviser fails to determine a Successor Rate or, failing which, an Alternative Rate, in accordance with this Condition 4(o)(i)(A) prior to the relevant Interest Determination Date, the Rate of Interest applicable to the next succeeding Interest Accrual Period shall be equal to the Rate of Interest last determined in relation to the Notes in respect of the immediately preceding Interest Accrual Period. If there has not been a first Interest Payment Date, the Rate of Interest shall be the initial Rate of Interest. Where a different Margin or Maximum or Minimum Rate of Interest is to be applied to the relevant Interest Accrual Period from that which applied to the last preceding Interest Accrual Period, the Margin or Maximum or Minimum Rate of Interest relating to the relevant Interest Accrual Period shall be substituted in place of the

Margin or Maximum or Minimum Rate of Interest relating to that last preceding Interest Accrual Period. For the avoidance of doubt, this paragraph shall apply to the relevant next succeeding Interest Accrual Period only and any subsequent Interest Accrual Periods are subject to the subsequent operation of, and to adjustment as provided in, the first paragraph of this Condition 4(o)(i)(A).

(B) Successor Rate or Alternative Rate

If the Independent Adviser determines that:

- (i) there is a Successor Rate, then such Successor Rate and the applicable Adjustment Spread shall subsequently be used in place of the Original Reference Rate to determine the Rate of Interest (or the relevant component part thereof) for all future payments of interest on the Notes (subject to the operation of this Condition 4(o)(i)); or
- (ii) there is no Successor Rate but that there is an Alternative Rate, then such Alternative Rate and the applicable Adjustment Spread shall subsequently be used in place of the Original Reference Rate to determine the Rate of Interest (or the relevant component part thereof) for all future payments of interest on the Notes (subject to the operation of this Condition 4(o)(i)).

(C) Adjustment Spread

The Adjustment Spread (or the formula or methodology for determining the Adjustment Spread) shall be applied to the Successor Rate or the Alternative Rate (as the case may be). If the Independent Adviser (in consultation with the Issuer) is unable to determine the quantum of, or a formula or methodology for determining, such Adjustment Spread, then the Successor Rate or Alternative Reference Rate (as applicable) will apply without an Adjustment Spread.

(D) Benchmark Amendments

If any Successor Rate or Alternative Rate and, in either case, the applicable Adjustment Spread is determined in accordance with this Condition 4(o)(i) and the Independent Adviser (in consultation with the Issuer) determines:

- (i) that amendments to these Conditions and/or the Trust Deed are necessary to ensure the proper operation of such Successor Rate or Alternative Rate and/or (in either case) the applicable Adjustment Spread (such amendments, the “**Benchmark Amendments**”); and
- (ii) the terms of the Benchmark Amendments, then the Issuer shall, subject to giving notice thereof in accordance with Condition 4(o)(i)(E), without any requirement for the consent or approval of Noteholders, the Trustee or the Agents, vary these Conditions and/or the Trust Deed to give effect to such Benchmark Amendments with effect from the date specified in such notice.



At the request of the Issuer, but subject to receipt by the Trustee of a certificate signed by two authorised signatories of the Issuer pursuant to Condition 4(o)(i)(E), the Trustee shall (at the expense of the Issuer), without any requirement for the consent or approval of the Noteholders, be obliged to concur with the Issuer in effecting any Benchmark Amendments (including, *inter alia*, by the execution of a deed supplemental to or amending the Trust Deed), provided that the Trustee shall not be obliged so to concur if in the opinion of the Trustee doing so would impose more onerous obligations upon it or expose it to any additional duties, responsibilities or liabilities or reduce or amend the protective provisions afforded to the Trustee in these Conditions or the Trust Deed (including, for the avoidance of doubt, any supplemental trust deed) in any way.

For the avoidance of doubt, the Trustee and the Issuing and Paying Agent shall, at the direction and expense of the Issuer, effect such consequential amendments to the Trust Deed, the Agency Agreement and these Conditions as may be required in order to give effect to this Condition 4(o)(i)(D). Noteholders' consent shall not be required in connection with the effecting of the Successor Rate or the Alternative Rate (as applicable) or such other changes, including the execution of any documents or any steps by the Trustee or the Issuing and Paying Agent (if required). Further, none of the Trustee, the Calculation Agent, the Paying Agents, the Registrars or the Transfer Agents shall be responsible or liable for any determinations or certifications made by the Issuer or the Independent Adviser with respect to any Successor Rate or Alternative Rate (as applicable) or any other changes and shall be entitled to rely conclusively on any certifications provided to each of them in this regard.

In connection with any such variation in accordance with this Condition 4(o)(i)(D), the Issuer shall comply with the rules of any stock exchange on which the Notes are for the time being listed or admitted to trading.

(E) Notices

Any Successor Rate, Alternative Rate, Adjustment Spread and the specific terms of any Benchmark Amendments, determined under this Condition 4(o)(i) will be notified promptly by the Issuer to the Trustee, the Calculation Agent, the Paying Agents and, in accordance with Condition 16, the Noteholders or the Couponholders. Such notice shall be irrevocable and shall specify the effective date of the Benchmark Amendments, if any.

No later than notifying the Noteholders of the same, the Issuer shall deliver to the Trustee a certificate signed by two authorised signatories of the Issuer:

- (x) confirming
  - (i) that a Benchmark Event has occurred;
  - (ii) the Successor Rate or, as the case may be, the Alternative Rate;
  - (iii) the applicable, Adjustment Spread; and
  - (iv) the specific terms of the Benchmark Amendments (if any),in each case as determined in accordance with the provisions of this Condition 4(o)(i); and

- (y) certifying that the Benchmark Amendments (if any) are necessary to ensure the proper operation of such Successor Rate or Alternative Rate and (in either case) the applicable Adjustment Spread.

The Trustee shall be entitled to rely on such certificate (without liability to any person) as sufficient evidence thereof. The Successor Rate, Alternative Rate, the Adjustment Spread or the Benchmark Amendments (if any) specified in such certificate will (in the absence of manifest error or bad faith in the determination of the Successor Rate, Alternative Rate, the Adjustment Spread or the Benchmark Amendments (if any) and without prejudice to the Trustee's ability to rely on such certificate as aforesaid) be binding on the Issuer, the Trustee, the Calculation Agent, the Paying Agents, the Noteholders and Couponholders.

(F) Survival of Original Reference Rate

Without prejudice to the obligations of the Issuer under Condition 4(o)(i)(A), 4(o)(i)(B), 4(o)(i)(C) and 4(o)(i)(D), the Original Reference Rate and the fallback provisions provided for in Condition 4(b)(iii)(B) or (C), as applicable, will continue to apply unless and until a Benchmark Event has occurred.

(G) Definitions:

As used in this Condition 4(o)(i):

**"Adjustment Spread"** means either:

- (i) a spread (which may be positive, negative or zero); or
- (ii) a formula or methodology for calculating a spread, in each case to be applied to the Successor Rate or the Alternative Rate (as the case may be) and is the spread, formula or methodology which:
  - (x) in the case of a Successor Rate, is formally recommended in relation to the replacement of the Original Reference Rate with the Successor Rate by any Relevant Nominating Body; or (if no such recommendation has been made, or in the case of an Alternative Rate);
  - (y) the Independent Adviser determines as being customarily applied to the relevant Successor Rate or the Alternative Rate (as the case may be) in international debt capital markets transactions to produce an industry-accepted replacement rate for the Original Reference Rate; or (if the Independent Adviser determines that no such spread is customarily applied);
  - (z) the Independent Adviser (in consultation with the Issuer) determines, and which is recognised or acknowledged as being the industry standard for over-the-counter derivative transactions which reference the Original Reference Rate, where such rate has been replaced by the Successor Rate or the Alternative Rate (as the case may be).

**“Alternative Rate”** means an alternative benchmark or screen rate which the Independent Adviser determines in accordance with Condition 4(o)(i)(B) is customarily applied in international debt capital markets transactions for the purposes of determining rates of interest (or the relevant component part thereof) in the same Specified Currency as the Notes.

**“Benchmark Amendments”** has the meaning given to it in Condition 4(o)(i)(D).

**“Benchmark Event”** means:

- (i) the Original Reference Rate ceasing to be published for a period of at least five Business Days or ceasing to exist; or
- (ii) a public statement by the administrator of the Original Reference Rate that it has ceased or that it will cease publishing the Original Reference Rate permanently or indefinitely (in circumstances where no successor administrator has been appointed that will continue publication of the Original Reference Rate) and such cessation is reasonably expected by the Issuer to occur prior to the Maturity Date; or
- (iii) a public statement by the supervisor of the administrator of the Original Reference Rate, that the Original Reference Rate has been or will be permanently or indefinitely discontinued and such discontinuation is reasonably expected by the Issuer to occur prior to the Maturity Date; or
- (iv) a public statement by the supervisor of the administrator of the Original Reference Rate as a consequence of which the Original Reference Rate will be prohibited from being used either generally, or in respect of the Notes and such prohibition is reasonably expected by the Issuer to occur prior to the Maturity Date; or
- (v) a public statement by the supervisor of the administrator of the Original Reference Rate that the Original Reference Rate is or will be (or is or will be deemed by such supervisor to be) no longer representative of its relevant underlying market; or
- (vi) it has become unlawful for any Paying Agent, Calculation Agent, the Issuer or other party to calculate any payments due to be made to any Noteholder using the Original Reference Rate,

provided that the Benchmark Event shall be deemed to occur (a) in the case of sub-paragraphs (ii) and (iii) above, on the date of the cessation of publication of the Original Reference Rate or the discontinuation of the Original Reference Rate, as the case may be, (b) in the case of sub-paragraph (iv) above, on the date of the prohibition of use of the Original Reference Rate and (c) in the case of sub-paragraph (v) above, on the date with effect from which the Original Reference Rate will no longer be (or will be deemed by the relevant supervisor to no longer be) representative of its relevant underlying market and which is specified in the relevant public statement, and, in each case, not the date of the relevant public statement.

The occurrence of a Benchmark Event shall be determined by the Issuer and promptly notified to the Trustee, the Calculation Agent and the Paying Agents. For the avoidance of doubt, neither the Trustee, the Calculation Agent nor the Paying Agents shall have any responsibility for making such determination.

**“Independent Adviser”** means an independent financial institution of international repute or an independent financial adviser with appropriate expertise appointed by and at the expense of the Issuer under Condition 4(o)(i)(A).

**“Original Reference Rate”** means the originally-specified benchmark or screen rate (as applicable) used to determine the Rate of Interest (or any component part thereof) on the Notes.

**“Relevant Nominating Body”** means, in respect of a benchmark or screen rate (as applicable):

- (i) the central bank for the currency to which the benchmark or screen rate (as applicable) relates, or any central bank or other supervisory authority which is responsible for supervising the administrator of the benchmark or screen rate (as applicable); or
- (ii) any working group or committee sponsored by, chaired or co-chaired by or constituted at the request of
  - (w) the central bank for the currency to which the benchmark or screen rate (as applicable) relates;
  - (x) any central bank or other supervisory authority which is responsible for supervising the administrator of the benchmark or screen rate (as applicable);
  - (y) a group of the aforementioned central banks or other supervisory authorities; or
  - (z) the Financial Stability Board or any part thereof.

**“Successor Rate”** means a successor to or replacement of the Original Reference Rate which is formally recommended by any Relevant Nominating Body.

*Where the Original Reference Rate for a Series of Notes is EURIBOR, the Successor Rate could include the rate (inclusive of any spreads or adjustments) formally recommended by (i) the working group on euro risk free rates established by the European Central Bank, the Financial Services and Markets Authority, the European Securities and Markets Authority and the European Commission, (ii) the European Money Market Institute, as the administrator of EURIBOR, (iii) the competent authority responsible under Regulation (EU) 2016/1011 for supervising the European Money Market Institute, as the administrator of the EURIBOR, or (iv) the national competent authority designated by each Member State under Regulation (EU) 2016/1011, or (v) the European Central Bank.*

(ii) Benchmark Discontinuation (ARRC)

*This Condition 4(o)(ii) shall only apply to U.S. dollar-denominated Notes where so specified in the applicable Pricing Supplement.*

Where the Pricing Supplement specifies this Condition 4(o)(ii) as applicable:

(A) Benchmark Replacement

If the Issuer or its designee determines that a Benchmark Transition Event and its related Benchmark Replacement Date have occurred prior to the Reference Time in respect of any determination of the Benchmark on any date, the Benchmark Replacement will replace the then-current Benchmark for all purposes relating to the Notes in respect of such determination on such date and all determinations on all subsequent dates.

(B) Benchmark Replacement Conforming Changes

In connection with the implementation of a Benchmark Replacement, the Issuer or its designee will have the right to make Benchmark Replacement Conforming Changes from time to time. For the avoidance of doubt, the Trustee and the Issuing and Paying Agent shall, at the direction and expense of the Issuer, effect such consequential amendments to the Trust Deed, the Agency Agreement and these Conditions as may be required to give effect to this Condition 4(o)(ii)(B). Noteholders' consent shall not be required in connection with the effecting of any such changes, including the execution of any documents or any steps by the Trustee or the Issuing and Paying Agent (if required). Further, none of the Trustee, the Calculation Agent, the Paying Agents, the Registrars or the Transfer Agents shall be responsible or liable for any determinations, decisions or elections made by the Issuer or its designee with respect to any Benchmark Replacement or any other changes and shall be entitled to rely conclusively on any certifications provided to each of them in this regard.

(C) Decisions and Determinations

Any determination, decision or election that may be made by the Issuer or its designee pursuant to this Condition 4(o)(ii), including any determination with respect to a tenor, rate or adjustment or of the occurrence or non-occurrence of an event, circumstance or date and any decision to take or refrain from taking any action or any selection, will be conclusive and binding absent manifest error, may be made in the Issuer or its designee's sole discretion, and, notwithstanding anything to the contrary in the documentation relating to the Notes, shall become effective without consent from any other party.

(D) Definitions

As used in this Condition 4(o)(ii):

**“Benchmark”** means, initially, LIBOR; provided that if a Benchmark Transition Event and its related Benchmark Replacement Date have occurred with respect to LIBOR or the then-current Benchmark, then **“Benchmark”** means the applicable Benchmark Replacement;

**“Benchmark Replacement”** means the Interpolated Benchmark; provided that if the Issuer or its designee cannot determine the Interpolated Benchmark as of the Benchmark Replacement Date, then **“Benchmark Replacement”** means the first alternative set forth in the order below that can be determined by the Issuer or its designee as of the Benchmark Replacement Date:

- (i) the sum of:
  - (x) Term SOFR; and
  - (y) the Benchmark Replacement Adjustment;
- (ii) the sum of:
  - (x) Compounded SOFR; and
  - (y) the Benchmark Replacement Adjustment;
- (iii) the sum of:
  - (x) the alternate rate of interest that has been selected or recommended by the Relevant Governmental Body as the replacement for the then-current Benchmark for the applicable Corresponding Tenor; and
  - (y) the Benchmark Replacement Adjustment;
- (iv) the sum of:
  - (x) the ISDA Fallback Rate; and
  - (y) the Benchmark Replacement Adjustment;
- (v) the sum of:
  - (x) the alternate rate of interest that has been selected by the Issuer or its designee as the replacement for the then-current Benchmark for the applicable Corresponding Tenor giving due consideration to any industry-accepted rate of interest as a replacement for the then-current Benchmark for U.S. dollar denominated floating rate notes at such time; and
  - (y) the Benchmark Replacement Adjustment;

**“Benchmark Replacement Adjustment”** means the first alternative set forth in the order below that can be determined by the Issuer or its designee as of the Benchmark Replacement Date:

- (i) the spread adjustment, or method for calculating or determining such spread adjustment (which may be a positive or negative value or zero) that has been selected or recommended by the Relevant Governmental Body for the applicable Unadjusted Benchmark Replacement;
- (ii) if the applicable Unadjusted Benchmark Replacement is equivalent to the ISDA Fallback Rate, then the ISDA Fallback Adjustment;
- (iii) the spread adjustment (which may be a positive or negative value or zero) that has been selected by the Issuer or its designee giving due consideration to any industry-accepted spread adjustment, or method for calculating or determining such spread adjustment, for the replacement of the then-current Benchmark with the applicable Unadjusted Benchmark Replacement for U.S. dollar-denominated floating rate notes at such time;

**“Benchmark Replacement Conforming Changes”** means, with respect to any Benchmark Replacement, any technical, administrative or operational changes (including changes to the definition of “Interest Period” or “Interest Accrual Period”, timing and frequency of determining rates and making payments of interest, changes to the definition of “Corresponding Tenor” solely when such tenor is longer than the Interest Period and other administrative matters) that the Issuer or its designee decides may be appropriate to reflect the adoption of such Benchmark Replacement in a manner substantially consistent with market practice (or, if the Issuer or its designee decides that adoption of any portion of such market practice is not administratively feasible or if the Issuer or its designee determines that no market practice for use of the Benchmark Replacement exists, in such other manner as the Issuer or its designee determines is reasonably necessary).

**“Benchmark Replacement Date”** means the earliest to occur of the following events with respect to the then-current Benchmark:

- (i) in the case of sub-clauses (i) or (ii) of the definition of “Benchmark Transition Event,” the later of:
  - (x) the date of the public statement or publication of information referenced therein; and
  - (y) the date on which the administrator of the Benchmark permanently or indefinitely ceases to provide the Benchmark; or
- (ii) in the case of sub-clause (iii) of the definition of “Benchmark Transition Event,” the date of the public statement or publication of information referenced therein.

For the avoidance of doubt, if the event giving rise to the Benchmark Replacement Date occurs on the same day as, but earlier than, the Reference Time in respect of any determination, the Benchmark Replacement Date will be deemed to have occurred prior to the Reference Time for such determination;

**“Benchmark Transition Event”** means the occurrence of one or more of the following events with respect to the then-current Benchmark:

- (i) a public statement or publication of information by or on behalf of the administrator of the Benchmark announcing that such administrator has ceased or will cease to provide the Benchmark, permanently or indefinitely, provided that, at the time of such statement or publication, there is no successor administrator that will continue to provide the Benchmark;
- (ii) a public statement or publication of information by the regulatory supervisor for the administrator of the Benchmark, the central bank for the currency of the Benchmark, an insolvency official with jurisdiction over the administrator for the Benchmark, a resolution authority with jurisdiction over the administrator for the Benchmark or a court or an entity with similar insolvency or resolution authority over the administrator for the Benchmark, which states that the administrator of the Benchmark has ceased or will cease to provide the Benchmark permanently or indefinitely, provided that, at the time of such statement or publication, there is no successor administrator that will continue to provide the Benchmark; or
- (iii) a public statement or publication of information by the regulatory supervisor for the administrator of the Benchmark announcing that the Benchmark is no longer representative;

**“Compounded SOFR”** means the compounded average of SOFRs for the applicable Corresponding Tenor, with the rate, or methodology for this rate, and conventions for this rate (which will be compounded in arrears with a lookback and/or suspension period as a mechanism to determine the interest amount payable prior to the end of each Interest Period) being established by the Issuer or its designee in accordance with:

- (i) the rate, or methodology for this rate, and conventions for this rate selected or recommended by the Relevant Governmental Body for determining compounded SOFR; provided that:
- (ii) if, and to the extent that, the Issuer or its designee determines that Compounded SOFR cannot be determined in accordance with sub-clause (i) of this definition of “Compounded SOFR”, then the rate, or methodology for this rate, and conventions for this rate that have been selected by the Issuer or its designee giving due consideration to any industry-accepted market practice for U.S. dollar denominated floating rate notes at such time.



Notwithstanding the foregoing, Compounded SOFR will include such lookback and/or suspension period as specified in the applicable Pricing Supplement as a mechanism to determine the interest amount payable prior to the end of each Interest Period or Interest Accrual Period;

**“Corresponding Tenor”**, with respect to a Benchmark Replacement, means a tenor (including overnight) having approximately the same length (disregarding business day adjustment) as the applicable tenor for the then-current Benchmark;

**“designee”** means a designee as selected and separately appointed by the Issuer in writing;

**“Federal Reserve Bank of New York’s Website”** means the website of the Federal Reserve Bank of New York at <http://www.newyorkfed.org> or any successor source;

**“Interpolated Benchmark”**, with respect to the Benchmark, means the rate determined for the Corresponding Tenor by interpolating on a linear basis between:

- (i) the Benchmark for the longest period (for which the Benchmark is available) that is shorter than the Corresponding Tenor; and
- (ii) the Benchmark for the shortest period (for which the Benchmark is available) that is longer than the Corresponding Tenor;

**“ISDA Definitions”** means the 2006 ISDA Definitions published by the International Swaps and Derivatives Association, Inc. or any successor thereto, as amended or supplemented from time to time, or any successor definitional booklet for interest rate derivatives published from time to time;

**“ISDA Fallback Adjustment”** means the spread adjustment, (which may be a positive or negative value or zero) that would apply for derivatives transactions referencing the ISDA Definitions to be determined upon the occurrence of an index cessation event with respect to the Benchmark for the applicable tenor;

**“ISDA Fallback Rate”** means the rate that would apply for derivatives transactions referencing the ISDA Definitions to be effective upon the occurrence of an index cessation date with respect to the Benchmark for the applicable tenor excluding the applicable ISDA Fallback Adjustment;

**“LIBOR”** means the London Interbank Offered Rate;

**“Reference Time”**, with respect to any determination of the Benchmark, means:

- (i) if the Benchmark is LIBOR, 11:00 a.m. (London time) on the day that is two London Business Days preceding the date of such determination; and
- (ii) if the Benchmark is not LIBOR, the time determined by the Issuer or its designee in accordance with the Benchmark Replacement Conforming Changes;

**“Relevant Governmental Body”** means the Federal Reserve Board and/or the Federal Reserve Bank of New York, or a committee officially endorsed or convened by the Federal Reserve Board and/or the Federal Reserve Bank of New York or any successor thereto;

**“SOFR”**, with respect to any day, means the secured overnight financing rate published for such day by the Federal Reserve Bank of New York, as the administrator of the benchmark, (or a successor administrator) on the Federal Reserve Bank of New York’s Website;

**“Term SOFR”** means the forward-looking term rate for the applicable Corresponding Tenor based on SOFR that has been selected or recommended by the Relevant Governmental Body; and

**“Unadjusted Benchmark Replacement”** means the Benchmark Replacement excluding the Benchmark Replacement Adjustment.

(iii) Benchmark Discontinuation (SOR)

*This Condition 4(o)(iii) shall only apply to Singapore dollar-denominated Notes where so specified in the applicable Pricing Supplement.*

Where the Pricing Supplement specifies this Condition 4(o)(iii) as applicable:

- (A) **Benchmark Replacement:** If the Issuer or its Designee determines that a Benchmark Transition Event and its related Benchmark Replacement Date have occurred prior to the Reference Time in respect of any determination of the Benchmark on any date, the Benchmark Replacement will replace the then-current Benchmark for all purposes relating to the Notes in respect of such determination on such date and all determinations on all subsequent dates.
- (B) **Benchmark Replacement Conforming Changes:** In connection with the implementation of a Benchmark Replacement, the Issuer or its Designee will have the right to make Benchmark Replacement Conforming Changes from time to time. For the avoidance of doubt, the Trustee and the Issuing and Paying Agent shall, at the direction and expense of the Issuer, effect such consequential amendments to the Trust Deed, the Agency Agreement and these

Conditions as may be required to give effect to this Condition 4(o)(iii)(B). Noteholders' consent shall not be required in connection with the effecting of any such changes, including the execution of any documents or any steps by the Trustee or the Issuing and Paying Agent (if required). Further, none of the Trustee, the Calculation Agent, the Paying Agents, the Registrars or the Transfer Agents shall be responsible or liable for any determinations, decisions or elections made by the Issuer or its Designee with respect to any Benchmark Replacement or any other changes and shall be entitled to rely conclusively on any certifications provided to each of them in this regard.

- (C) Decisions and Determinations: The Issuer or its Designee shall act in good faith and in a commercially reasonable manner when making any determination including any determination with respect to a tenor, rate or adjustment or of the occurrence or non-occurrence of an event, circumstance or date and any decision to take or refrain from taking any action or any selection. The determination of the Issuer or its Designee will be conclusive and binding absent manifest error and shall become effective without consent from any other party.

Any determination, decision or election that may be made by the Issuer or its Designee pursuant to this Condition 4(o)(iii), including any determination with respect to a tenor, rate or adjustment or of the occurrence or non-occurrence of an event, circumstance or date and any decision to take or refrain from taking any action or any selection, will be conclusive and binding absent manifest error, may be made in the Issuer or its Designee's sole discretion, and, notwithstanding anything to the contrary in the documentation relating to the Notes, shall become effective without consent from any other party.

- (D) Definitions: As used in this Condition 4(o)(iii):

**"Adjusted SOR"** means (i) if the Benchmark is SOR, the synthetic rate for deposits in Singapore dollars for the Corresponding Tenor calculated based on actual transactions in the U.S. dollar to Singapore dollar foreign exchange swap market and a U.S. dollar interest rate calculated pursuant to the methodology used to calculate fallbacks for U.S. dollar LIBOR of the same Corresponding Tenor in the ISDA Definitions (inclusive of, for the avoidance of doubt, any spread adjustment (which may be a positive or negative value or zero) that would apply for derivatives transactions referencing the ISDA Definitions to be determined upon the occurrence of an index cessation event with respect to U.S. dollar LIBOR for the applicable Corresponding Tenor), and (ii) if the Benchmark is not SOR, the ISDA Fallback Rate;

**"Alternative Rate"** means an alternative benchmark or screen rate which the Independent Adviser, in consultation with the Issuer, determines as being customarily applied in market usage in debt capital markets transactions for the purposes of determining rates of interest (or the relevant component part thereof) in Singapore dollars;

**“Benchmark”** means, initially, SOR (being the originally-specified Reference Rate used to determine the Rate of Interest), provided that if a Benchmark Transition Event and its related Benchmark Replacement Date have occurred with respect to SOR or the then-current Benchmark, then **“Benchmark”** means the applicable Benchmark Replacement;

**“Benchmark Replacement”** means the Interpolated Benchmark, provided that if the Issuer or its Designee cannot determine the Interpolated Benchmark as of the Benchmark Replacement Date, then **“Benchmark Replacement”** means the first alternative set forth in the order below that can be determined by the Issuer or its Designee as of the Benchmark Replacement Date:

- (i) the sum of:
  - (x) the alternate rate of interest that has been selected or recommended by the Relevant Governmental Body or Relevant Nominating Body as the replacement for the then-current Benchmark for the applicable Corresponding Tenor; and
  - (y) the Benchmark Replacement Adjustment;
- (ii) the sum of:
  - (x) Adjusted SOR and (only if the Benchmark is not SOR); and
  - (y) the Benchmark Replacement Adjustment;
- (iii) the sum of:
  - (x) the Alternative Rate; and
  - (y) the Benchmark Replacement Adjustment.

**“Benchmark Replacement Adjustment”** means the first alternative set forth in the order below that can be determined by the Issuer or its Designee as of the Benchmark Replacement Date:

- (i) the spread adjustment, or method for calculating or determining such spread adjustment (which may be a positive or negative value or zero) that has been selected or recommended by the Relevant Governmental Body for the applicable Unadjusted Benchmark Replacement;
- (ii) if the applicable Unadjusted Benchmark Replacement is equivalent to the ISDA Fallback Rate, then the ISDA Fallback Adjustment;
- (iii) the spread adjustment that has been selected by the Issuer or its Designee having given due consideration to any industry-accepted spread adjustment, or method for calculating or determining such spread adjustment, for the replacement of the then-current Benchmark with the applicable Unadjusted Benchmark Replacement for Singapore dollar-denominated floating rate notes at such time;

**“Benchmark Replacement Conforming Changes”** means, with respect to any Benchmark Replacement, any technical, administrative or operational changes (including changes to the definition of “Interest Period” or “Interest Accrual Period”, timing and frequency of determining rates and making payments of interest, changes to the definition of “Corresponding Tenor” solely when such tenor is longer than the Interest Period and other administrative matters) that the Issuer or its Designee decides may be appropriate to reflect the adoption of such Benchmark Replacement in a manner substantially consistent with market practice (or, if the Issuer or its Designee decides that adoption of any portion of such market practice is not administratively feasible or if the Issuer or its Designee determines that no market practice for use of such Benchmark Replacement exists, in such other manner as the Issuer or its Designee determines is reasonably necessary);

**“Benchmark Replacement Date”** means the earliest to occur of the following events with respect to the then-current Benchmark:

- (i) in the case of sub-clause (i) or (ii) of the definition of “Benchmark Transition Event”, the later of:
  - (x) the date of the public statement or publication of information referenced therein; and
  - (y) the date on which the administrator of the Benchmark permanently or indefinitely ceases to provide the Benchmark; or
- (ii) in the case of sub-clause (iii) of the definition of “Benchmark Transition Event”, the date of the public statement or publication of information referenced therein.

For the avoidance of doubt, if the event giving rise to the Benchmark Replacement Date occurs on the same day as, but earlier than, the Reference Time in respect of any determination, the Benchmark Replacement Date will be deemed to have occurred prior to the Reference Time for such determination;

**“Benchmark Transition Event”** means the occurrence of one or more of the following events with respect to the then-current Benchmark:

- (i) a public statement or publication of information by or on behalf of the administrator of the Benchmark announcing that such administrator has ceased or will cease to provide the Benchmark permanently or indefinitely, provided that, at the time of such statement or publication, there is no successor administrator that will continue to provide the Benchmark;
- (ii) a public statement or publication of information by the regulatory supervisor for the administrator of the Benchmark, the central bank for Singapore dollar, an insolvency official with jurisdiction over the administrator of the Benchmark, a resolution authority with jurisdiction over the administrator of

the Benchmark or a court or an entity with similar insolvency or resolution authority over the administrator of the Benchmark, which states that the administrator of the Benchmark has ceased or will cease to provide the Benchmark permanently or indefinitely, provided that, at the time of such statement or publication, there is no successor administrator that will continue to provide the Benchmark; or

- (iii) a public statement or publication of information by the regulatory supervisor for the administrator of the Benchmark announcing that the Benchmark is no longer representative;

**“Corresponding Tenor”**, with respect to a Benchmark Replacement, means a tenor (including overnight) having approximately the same length (disregarding business day adjustment) as the applicable tenor for the then-current Benchmark;

**“Designee”** means a designee as selected and separately appointed by the Issuer in writing, which may include a subsidiary or affiliate of the Issuer or an Independent Adviser;

**“Independent Adviser”** means an independent financial institution of international repute or an independent financial adviser with appropriate expertise appointed by and at the expense of the Issuer under this Condition 4(o)(iii);

**“Interpolated Benchmark”**, with respect to the Benchmark, means the rate determined for the Corresponding Tenor by interpolating on a linear basis between:

- (i) the Benchmark for the longest period (for which the Benchmark is available) that is shorter than the Corresponding Tenor;
- (ii) the Benchmark for the shortest period (for which the Benchmark is available) that is longer than the Corresponding Tenor;

**“ISDA Definitions”** means the 2006 ISDA Definitions published by the International Swaps and Derivatives Association Inc. or any successor thereto, as may be updated, amended or supplemented from time to time, or any successor definitional booklet for interest rate derivatives published from time to time;

**“ISDA Fallback Adjustment”** means the spread adjustment (which may be a positive or negative value or zero) that would apply for derivative transactions referencing the ISDA Definitions to be determined upon the occurrence of an index cessation event with respect to the Benchmark for the applicable tenor;

**“ISDA Fallback Rate”** means the rate that would apply for derivative transactions referencing the ISDA Definitions to be effective upon the occurrence of an index cessation event with respect to the Benchmark for the applicable tenor excluding the applicable ISDA Fallback Adjustment;

“**LIBOR**” means London Interbank Offered Rate;

“**Reference Time**” with respect to any determination of the Benchmark means (1) if the Benchmark is SOR, 11:00 a.m. (London time) on the day that is two Singapore business days preceding the date of such determination, and (2) if the Benchmark is not SOR, the time determined by the Issuer or its Designee in accordance with the Benchmark Replacement Conforming Changes;

“**Relevant Governmental Body**” means the Monetary Authority of Singapore or any successor thereto;

“**Relevant Nominating Body**” means the Association of Banks in Singapore or any successor thereto; and

“**Unadjusted Benchmark Replacement**” means the Benchmark Replacement excluding the Benchmark Replacement Adjustment.

(iv) Benchmark Discontinuation (SORA)

*This Condition 4(o)(iv) shall only apply to Singapore dollar-denominated Notes where so specified in the applicable Pricing Supplement.*

Where the Pricing Supplement specifies that this Condition 4(o)(iv) as applicable:

- (A) Independent Adviser: If a SORA Index Cessation Event occurs in relation to an Original Reference Rate when any Rate of Interest (or any component part thereof) remains to be determined by reference to such Original Reference Rate, the Issuer shall use its reasonable endeavours to appoint an Independent Adviser, as soon as reasonably practicable, to determine a Successor Rate, or failing which, an Alternative Rate (in accordance with Condition 4(o)(iv)(C) and, in either case, an Adjustment Spread and any Benchmark Amendments (in accordance with Condition 4(o)(iv)(D)).

In making such determination, the Independent Adviser appointed pursuant to this Condition 4(o)(iv) shall act in good faith as an expert and in consultation with the Issuer. In the absence of bad faith or fraud, the Independent Adviser shall have no liability whatsoever to the Issuer, the Trustee, the Paying Agents or the Noteholders for any determination made by it, pursuant to this Condition 4(o)(iv).

If:

- (i) the Issuer is unable to appoint an Independent Adviser; or
- (ii) the Independent Adviser fails to determine a Successor Rate or, failing which, an Alternative Rate, in accordance with this Condition 4(o)(iv)(A) prior to the relevant Interest Determination Date, the Rate of Interest applicable to the next succeeding Interest Accrual Period shall be equal to the Rate

of Interest last determined in relation to the Notes in respect of the immediately preceding Interest Accrual Period. If there has not been a first Interest Payment Date, the Rate of Interest shall be the initial Rate of Interest which would have been applicable to the Series of Notes for the first Interest Accrual Period had the Notes been in issue for a period equal in duration to the scheduled first Interest Accrual Period but ending on (and excluding) the Interest Commencement Date. Where a different Margin or Maximum or Minimum Rate of Interest is to be applied to the relevant Interest Accrual Period from that which applied to the last preceding Interest Accrual Period, the Margin or Maximum or Minimum Rate of Interest relating to the relevant Interest Accrual Period shall be substituted in place of the Margin or Maximum or Minimum Rate of Interest relating to that last preceding Interest Accrual Period. For the avoidance of doubt, this paragraph shall apply to the relevant next succeeding Interest Accrual Period only and any subsequent Interest Accrual Periods are subject to the subsequent operation of, and to adjustment as provided in, the first paragraph of this Condition 4(o)(iv)(A).

- (B) Successor Rate or Alternate Rate: If the Independent Adviser determines that:
- (i) there is a Successor Rate, then such Successor Rate and the applicable Adjustment Spread shall subsequently be used in place of the Original Reference Rate to determine the Rate of Interest (or the relevant component part thereof) for all future payments of interest on the Notes (subject to the operation of this Condition 4(o)(iv)); or
  - (ii) there is no Successor Rate but that there is an Alternative Rate, then such Alternative Rate and the applicable Adjustment Spread shall subsequently be used in place of the Original Reference Rate to determine the Rate of Interest (or the relevant component part thereof) for all future payments of interest on the Notes (subject to the operation of this Condition 4(o)(iv)).
- (C) Adjustment Spread: The Adjustment Spread (or the formula or methodology for determining the Adjustment Spread) shall be applied to the Successor Rate or the Alternative Rate (as the case may be). If the Independent Adviser (in consultation with the Issuer) is unable to determine the quantum of, or a formula or methodology for determining such Adjustment Spread, then the Successor Rate or Alternative Rate (as applicable) will apply without an Adjustment Spread.



- (D) Benchmark Amendments: If any Successor Rate or Alternative Rate and, in either case, the applicable Adjustment Spread is determined in accordance with this Condition 4(o)(iv) and the Independent Adviser (in consultation with the Issuer) determines:
- (i) that amendments to these Conditions and/or the Trust Deed are necessary to ensure the proper operation of such Successor Rate or Alternative Rate and/or (in either case) the applicable Adjustment Spread (such amendments, the “**Benchmark Amendments**”); and
  - (ii) the terms of the Benchmark Amendments, then the Issuer shall, subject to giving notice thereof in accordance with Condition 4(o)(iv)(E), without any requirement for the consent or approval of Noteholders, the Trustee or the Agents, vary these Conditions and/or the Trust Deed to give effect to such Benchmark Amendments with effect from the date specified in such notice.

At the request of the Issuer, but subject to receipt by the Trustee of a certificate signed by two authorised signatories of the Issuer pursuant to Condition 4(o)(iv)(E), the Trustee shall (at the expense of the Issuer), without any requirement for the consent or approval of the Noteholders, be obliged to concur with the Issuer in effecting any Benchmark Amendments (including, inter alia, by the execution of a deed supplemental to or amending the Trust Deed), provided that the Trustee shall not be obliged so to concur if in the opinion of the Trustee doing so would impose more onerous obligations upon it or expose it to any additional duties, responsibilities or liabilities or reduce or amend the protective provisions afforded to the Trustee in these Conditions or the Trust Deed (including, for the avoidance of doubt, any supplemental trust deed) in any way.

For the avoidance of doubt, the Trustee and the Issuing and Paying Agent shall, at the direction and expense of the Issuer, effect such consequential amendments to the Trust Deed, the Agency Agreement and these Conditions as may be required in order to give effect to this Condition 4(o)(iv)(D). Noteholders’ consent shall not be required in connection with effecting of the Successor Rate or the Alternative Rate (as applicable) or such other changes, including the execution of any documents or any steps by the Trustee or the Issuing and Paying Agent (if required). Further, none of the Trustee, Calculation Agent, Paying Agents, Registrars or the Transfer Agents shall be responsible or liable for any determinations or certifications made by the Issuer or Independent Adviser with respect to any Successor Rate or Alternative Rate (as applicable) or any other changes and shall be entitled to rely conclusively on any certifications provided to each of them in this regard.

In connection with any such variation in accordance with this Condition 4(o)(iv)(D), the Issuer shall comply with the rules of any stock exchange on which the Notes are for the time being listed or admitted to trading.

- (E) Notices: Any Successor Rate, Alternative Rate, Adjustment Spread and the specific terms of any Benchmark Amendments, determined under this Condition 4(o)(iv) will be notified promptly by the Issuer to the Trustee, the Calculation Agent, the Paying Agents and, in accordance with Condition 16, the Noteholders and the Couponholders. Such notice shall be irrevocable and shall specify the effective date of the Benchmark Amendments, if any.

No later than notifying the Trustee of the same, the Issuer shall deliver to the Trustee a certificate signed by two authorised signatories of the Issuer:

(x) confirming:

- (I) that a SORA Index Cessation Event has occurred;
- (II) the Successor Rate or, as the case may be, the Alternative Rate;
- (III) the applicable Adjustment Spread;
- (IV) the specific terms of the Benchmark Amendments (if any),

in each case as determined in accordance with the provisions of this Condition 4(o)(iv); and

- (y) certifying that the Benchmark Amendments (if any) are necessary to ensure the proper operation of such Successor Rate or Alternative Rate and (in either case) the applicable Adjustment Spread.

The Trustee shall be entitled to rely on such certificate (without liability to any person) as sufficient evidence thereof. The Successor Rate or Alternative Rate and the Adjustment Spread and the Benchmark Amendments (if any) specified in such certificate will (in the absence of manifest error or bad faith in the determination of the Successor Rate, Alternative Rate, the Adjustment Spread or the Benchmark Amendments (if any) and without prejudice to the Trustee's ability to rely on such certificate as aforesaid) be binding on the Issuer, the Trustee, the Calculation Agent, the Paying Agents and the Noteholders.

(F) Definitions:

As used in this Condition 4(o)(iv):

**“Adjustment Spread”** means either:

- (a) a spread (which may be positive, negative or zero); or

- (b) a formula or methodology for calculating a spread, in each case to be applied to the Successor Rate or the Alternative Rate (as the case may be) and is the spread, formula or methodology which:
- (i) in the case of a Successor Rate, is formally recommended in relation to the replacement of the Original Reference Rate with the Successor Rate by any Relevant Nominating Body; or (if no such recommendation has been made, or in the case of an Alternative Rate);
  - (ii) the Independent Adviser determines as being customarily applied to the relevant Successor Rate or the Alternative Rate (as the case may be) in debt capital markets transactions to produce an industry-accepted replacement rate for the Original Reference Rate; or (if the Independent Adviser determines that no such spread is customarily applied);
  - (iii) the Independent Adviser (in consultation with the Issuer) determines, and which is recognised or acknowledged as being the industry standard for over-the-counter derivative transactions which reference the Original Reference Rate, where such rate has been replaced by the Successor Rate or the Alternative Rate (as the case may be);

**“Alternative Rate”** means an alternative benchmark or screen rate which the Independent Adviser, determines in accordance with Condition 4(o)(iv)(B) as being customarily applied in market usage in debt capital markets transactions for the purposes of determining rates of interest (or the relevant component part thereof) in Singapore Dollars;

**“Benchmark Amendments”** has the meaning given to it in Condition 4(o)(iv)(D);

**“Independent Adviser”** means an independent financial institution of international repute or an independent financial adviser with appropriate expertise appointed by the Issuer under Condition 4(o)(iv)(A);

**“Original Reference Rate”** means, initially, SORA (being the originally-specified benchmark rate used to determine Compounded Daily SORA and the Rate of Interest), provided that if a SORA Index Cessation Event has occurred with respect to SORA or the then-current Original Reference Rate, then **“Original Reference Rate”** means the applicable Successor Rate or Alternative Rate (as the case may be).

**“Relevant Nominating Body”** means:

- (a) the Monetary Authority of Singapore (or any successor administrator of the Original Reference Rate); or
- (b) any working group or committee officially sponsored or endorsed by, chaired or co-chaired by or constituted at the request of the Monetary Authority of Singapore (or any successor administrator of the Original Reference Rate).

**“SORA Index Cessation Event”** means the occurrence of one or more of the following events:

- (i) the Original Reference Rate ceasing to be published for a period of at least five Singapore Business Days or ceasing to exist; or
- (ii) a public statement or publication of information by or on behalf of the Monetary Authority of Singapore (or a successor administrator of the Original Reference Rate), the regulatory supervisor for the administrator of the Original Reference Rate, the central bank for the currency of the Original Reference Rate, an insolvency official with jurisdiction over the administrator of the Original Reference Rate, a resolution authority with jurisdiction over the administrator of the Original Reference Rate or a court or an entity with similar insolvency or resolution authority over the administrator of the Original Reference Rate, announcing that the administrator of the Original Reference Rate has ceased or will cease to provide the Original Reference Rate permanently or indefinitely, and such cessation is reasonably expected by the Issuer to occur prior to the Maturity Date, provided that, at the time of the statement or publication, there is no successor administrator that will continue to provide the Original Reference Rate; or
- (iii) a public statement or publication of information by the regulatory supervisor for the administrator of the Original Reference Rate announcing that the Original Reference Rate has been or will be permanently or indefinitely discontinued and such discontinuation is reasonably expected by the Issuer to occur prior to the Maturity Date; or
- (iv) a public statement or publication of information by or on behalf of the Monetary Authority of Singapore (or the supervisor of a successor administrator of the Original Reference Rate) as a consequence of which the Original Reference Rate will be prohibited from being used either generally, or in respect of the Notes, and such prohibition is reasonably expected by the Issuer to occur prior to the Maturity Date; or

- (v) a public statement by or on behalf of the Monetary Authority of Singapore (or the supervisor of a successor administrator of the Original Reference Rate) that the Original Reference Rate is or will be (or is or will be deemed by such supervisor to be) no longer representative of its relevant underlying market,

provided that the SORA Index Cessation Event shall be deemed to occur (a) in the case of sub-paragraphs (ii) and (iii) above, on the date of the cessation of publication of the Original Reference Rate or the discontinuation of the Original Reference Rate, as the case may be, (b) in the case of sub-paragraph (iv) above, on the date of the prohibition of use of the Original Reference Rate and (c) in the case of sub-paragraph (v) above, on the date with effect from which the Original Reference Rate will no longer be (or will be deemed by the relevant supervisor to no longer be) representative of its relevant underlying market and which is specified in the relevant public statement, and, in each case, not the date of the relevant public statement.

The occurrence of a SORA Index Cessation Event shall be determined by the Issuer and promptly notified to the Trustee, the Calculation Agent and the Paying Agents. For the avoidance of doubt, neither the Trustee, the Calculation Agent nor the Paying Agents shall have any responsibility for making such determination; and

**“Successor Rate”** means a successor to or replacement of the Original Reference Rate which is formally recommended by any Relevant Nominating Body as the replacement of the Original Reference Rate (which rate may be produced by the Monetary Authority of Singapore or such other administrator).

- (v) Qualification as Tier 2 Capital Securities

Notwithstanding any other provision of Conditions 4(o)(i)(D), 4(o)(ii)(B) or 4(o)(ii)(C), 4(o)(iii)(B) or 4(o)(iii)(C) or 4(o)(iv)(D) (as applicable), no Successor Rate, Alternative Rate or Benchmark Replacement (as the case may be) will be adopted, nor will the applicable Adjustment Spread or Benchmark Replacement Adjustment (as the case may be) be applied, nor will any Benchmark Amendments or Benchmark Replacement Conforming Changes (as the case may be) be made, if and to the extent that, in the determination of the Issuer, the same could reasonably be expected to prejudice the qualification of the Notes as Tier 2 Capital Securities and/or the Notes as eligible liabilities or loss absorbing capacity instruments for the purposes of any applicable loss absorption regulations.

## 5 Redemption, Purchase and Options

### (a) Redemption by Installments and Final Redemption:

- (i) Unless previously redeemed, purchased and cancelled as provided in this Condition 5, each Note that provides for Installment Dates and Installment Amounts shall be partially redeemed on each Installment Date at the related Installment Amount specified in the applicable Pricing Supplement. The outstanding nominal amount of each such Note shall be reduced by the Installment Amount (or, if such Installment Amount is calculated by reference to a proportion of the nominal amount of such Note, such proportion) for all purposes with effect from the related Installment Date, unless payment of the Installment Amount is improperly withheld or refused, in which case, such amount shall remain outstanding until the Relevant Date relating to such Installment Amount.
- (ii) Unless otherwise provided in the applicable Pricing Supplement and unless previously redeemed, purchased and cancelled as provided below, each Note shall be finally redeemed on the Maturity Date specified in the applicable Pricing Supplement at its Final Redemption Amount (which, unless otherwise provided in the applicable Pricing Supplement, is its nominal amount) or, in the case of a Note falling within Condition 5(a)(i), its final Installment Amount.

### (b) Early Redemption:

#### (i) *Zero Coupon Notes:*

- (A) The Early Redemption Amount payable in respect of any Zero Coupon Note, the Early Redemption Amount of which is not linked to an index and/or a formula, upon redemption of such Note pursuant to Condition 5(c) or upon it becoming due and payable as provided in Condition 10 shall be the “**Amortized Face Amount**” (calculated as provided below) of such Note unless otherwise specified in the applicable Pricing Supplement.
- (B) Subject to the provisions of Condition 5(b)(i)(C), the Amortized Face Amount of any such Note shall be the scheduled Final Redemption Amount of such Note on the Maturity Date discounted at a rate per annum (expressed as a percentage) equal to the Amortization Yield (which, if none is shown in the applicable Pricing Supplement, shall be such rate as would produce an Amortized Face Amount equal to the issue price of the Notes if they were discounted back to their issue price on the Issue Date) compounded annually.
- (C) If the Early Redemption Amount payable in respect of any such Note upon its redemption pursuant to Condition 5(c) or upon it becoming due and payable as provided in Condition 10 is not paid when due, the Early Redemption Amount due and payable in respect of such Note shall be the Amortized Face Amount of such Note as defined in Condition 5(b)(i)(B), except that such Condition shall have effect as though the date on which the Note becomes due and payable were the Relevant Date. The calculation of the Amortized Face Amount in accordance with this Condition 5(b)(i)(C) shall continue to be made (both before and after judgment) until the Relevant Date, unless the Relevant Date falls on or after the Maturity Date, in which case the amount due and payable shall be the scheduled Final Redemption Amount of such Note on the Maturity Date together with any interest that may accrue in accordance with Condition 4(c).

Where such calculation is to be made for a period of less than one year, it shall be made on the basis of the Day Count Fraction shown in the applicable Pricing Supplement.

- (ii) *Other Notes*: The Early Redemption Amount payable in respect of any Note (other than Notes described in (i) above), upon redemption of such Note pursuant to Condition 5(c) or upon it becoming due and payable as provided in Condition 10, shall be the Final Redemption Amount unless otherwise specified in the applicable Pricing Supplement.

(c) **Redemption for Taxation Reasons:**

- (i) *Senior Notes*: The Senior Notes may be redeemed at the option of the Issuer in whole, but not in part, (the “**Senior Notes Optional Tax Redemption**”) on any Interest Payment Date (if this Senior Note is either a Floating Rate Note or an Index Linked Note) or at any time (if this Senior Note is neither a Floating Rate Note nor an Index Linked Note), on giving not less than 15 days’ notice to the Noteholders (which notice shall be irrevocable) at their Early Redemption Amount (as described in Condition 5(b)) together with interest accrued but unpaid (if any) to (but excluding) the date fixed for redemption or, if the Early Redemption Amount is not specified in the applicable Pricing Supplement, at their nominal amount, together with interest accrued but unpaid (if any) to (but excluding) the date fixed for redemption, if (aa) the Issuer has paid or will or would on the next payment date be required to pay any Additional Amounts (as defined in Condition 8) as a result of any change in, or amendment to, the laws or regulations of a Relevant Taxing Jurisdiction (as defined in Condition 8) or any political subdivision or any authority therein or thereof having power to tax (or any taxing authority of any taxing jurisdiction in which the Issuer is a tax resident) or any generally published application or interpretation of such laws or regulations by any such relevant tax authority or any generally published pronouncement by any such tax authority, including a decision of any court or tribunal in any such jurisdiction, or the Notes do not qualify as “qualifying debt securities” for the purposes of the Income Tax Act, Chapter 134 of Singapore (the “**Income Tax Act**”) which change or amendment becomes effective on or after the date on which agreement is reached to issue the first Tranche of the Senior Notes, and (bb) such obligation cannot be avoided by the Issuer taking measures reasonably available to it, provided that, where the Issuer has or will become obliged to pay Additional Amounts, no such notice of redemption shall be given earlier than 90 days prior to the earliest date on which the Issuer would be obliged to pay such Additional Amounts were a payment in respect of the Senior Notes then due.

Before the publication of any notice of redemption pursuant to this Condition 5(c)(i), the Issuer shall deliver to (i) if the subject of the Senior Notes Optional Tax Redemption is Senior Notes other than AMTNs, the Trustee or (ii) if the subject of the Senior Notes Optional Tax Redemption is AMTNs, the Australian Agent, a certificate signed by two authorized signatories of OCBC (and in the case of any other Issuer, one authorized signatory of such Issuer) stating that the payment of Additional Amounts cannot be avoided by the Issuer taking reasonable measures available to it and the Trustee or the Australian Agent, as the case may be, shall be entitled to accept such certificate without any further inquiry as sufficient evidence of the satisfaction of Conditions 5(c)(i)(aa) and (bb) without liability to any person in which event it shall be conclusive and binding on the relevant Noteholders, Receiptholders and Couponholders. The Australian Agent will make such certificate available to the holders of the relevant AMTNs for inspection. Upon expiry of such notice, the Issuer shall redeem such Senior Notes in accordance with this Condition 5(c)(i).

- (ii) *Subordinated Notes*: Subject to Condition 5(m), the Subordinated Notes may be redeemed at the option of the Issuer in whole, but not in part, on any Interest Payment Date (if this Subordinated Note is a Floating Rate Note) or at any time (if this Subordinated Note is not a Floating Rate Note), on giving not less than 15 days' notice to the Noteholders (which notice shall be irrevocable) at their Early Redemption Amount (as described in Condition 5(b)) together with interest accrued but unpaid (if any) to (but excluding) the date fixed for redemption or, if the Early Redemption Amount is not specified in the applicable Pricing Supplement, at their nominal amount, together with interest accrued but unpaid (if any) to (but excluding) the date fixed for redemption, if:
- (A) the Issuer has paid or will or would on the next payment date be required to pay Additional Amounts (as defined in Condition 8); or
  - (B) payments of interest on the Subordinated Notes will or would be treated as “**distributions**” or dividends within the meaning of the Income Tax Act or any other act in respect of or relating to Singapore taxation or would otherwise be considered as payments of a type that are non-deductible for Singapore income tax purposes; or
  - (C) the Subordinated Notes do not qualify as “qualifying debt securities” for the purposes of the Income Tax Act,

in each case as a result of any change in, or amendment to, the laws or regulations of a Relevant Taxing Jurisdiction or any political subdivision or any authority therein or thereof having power to tax (or any taxing authority of any taxing jurisdiction in which the Issuer is a tax resident) or any generally published application or interpretation of such laws or regulations by any such relevant tax authority or any generally published pronouncement by any such tax authority, including a decision of any court or tribunal in any such jurisdiction, which change or amendment becomes effective on or after the date on which agreement is reached to issue the Subordinated Notes, and such obligations cannot be avoided by the Issuer taking measures reasonably available to it, provided that, where the Issuer has or will become obliged to pay Additional Amounts, no such notice of redemption shall be given earlier than 90 days prior to the earliest date on which the Issuer would be obliged to pay such Additional Amounts were a payment in respect of the Subordinated Notes then due.

Before the publication of any notice of redemption pursuant to this Condition 5(c)(ii), the Issuer shall deliver to the Trustee a certificate signed by two authorized signatories of OCBC (and in the case of any other Issuer, one authorized signatory of such Issuer) stating that the payment of Additional Amounts, or that the non-deductibility of the payments of interest for Singapore income tax purposes, as the case may be, cannot be avoided by the Issuer taking reasonable measures available to it and the Trustee shall be entitled to accept such certificate without any further inquiry as sufficient evidence of the satisfaction of this Condition 5(c)(ii) without liability to any person in which event it shall be conclusive and binding on Noteholders. Upon expiry of such notice, the Issuer shall redeem the Subordinated Notes in accordance with this Condition 5(c)(ii).

*Any redemption of the Subordinated Notes by the Issuer pursuant to this Condition 5(c)(ii) is subject to the Issuer obtaining the prior approval of MAS.*



(d) **Redemption at the option of the Issuer:**

- (i) *Senior Notes:* If Call Option is specified in the applicable Pricing Supplement as applicable, the Issuer may, on giving not less than 15 but not more than 30 days' irrevocable notice to the Noteholders (or such other notice period as may be specified in the applicable Pricing Supplement) redeem all or, if so provided, some of the Senior Notes on the date(s) specified in the applicable Pricing Supplement (the "**Senior Notes Optional Redemption Date**"). Any such redemption of Senior Notes shall be at the Optional Redemption Amount specified in the applicable Pricing Supplement together with interest accrued but unpaid (if any) to (but excluding) the date fixed for redemption or, if no Optional Redemption Amount is specified in the applicable Pricing Supplement, at their nominal amount together with interest accrued but unpaid (if any) to (but excluding) the date fixed for redemption, in accordance with these Conditions. Any such redemption or exercise must relate to Senior Notes of a nominal amount at least equal to the Minimum Redemption Amount to be redeemed specified in the applicable Pricing Supplement and no greater than the Maximum Redemption Amount to be redeemed specified in the applicable Pricing Supplement.

All Senior Notes in respect of which any such notice is given shall be redeemed on the date specified in such notice in accordance with this Condition 5(d)(i).

In the case of a partial redemption of Senior Notes other than AMTNs, the notice to Noteholders shall also contain the certificate numbers of the Bearer Notes, or in the case of Registered Notes shall specify the nominal amount of Registered Notes drawn and the holder(s) of such Registered Notes, to be redeemed, which shall have been drawn in such place as the Trustee may approve and in such manner as it deems appropriate, subject to compliance with any applicable laws and stock exchange or other relevant authority requirements.

In the case of a partial redemption of AMTNs, the AMTNs to be redeemed must be specified in the notice and selected (i) in a fair and reasonable manner; and (ii) in compliance with any applicable law, directive or requirement of any stock exchange or other relevant authority on which the AMTNs are listed.

- (ii) *Subordinated Notes:* Subject to Condition 5(m), and unless otherwise specified in the Pricing Supplement, if Call Option is specified in the applicable Pricing Supplement as applicable, the Issuer may, on giving not less than 15 days' irrevocable notice to the Noteholders, elect to redeem all, but not some only, of the Subordinated Notes on (i) the relevant First Call Date specified in the applicable Pricing Supplement (which shall not be less than 5 years from the Issue Date); and (ii) any Interest Payment Date following such First Call Date at their Optional Redemption Amount specified in the applicable Pricing Supplement or, if no Optional Redemption Amount is specified in the applicable Pricing Supplement, at their nominal amount together with interest accrued but unpaid (if any) to (but excluding) the date fixed for redemption in accordance with these Conditions.

All Subordinated Notes in respect of which any such notice is given shall be redeemed on the date specified in such notice in accordance with this Condition 5(d)(ii).

*The Maturity Date of the Subordinated Notes will not be less than five years from the Issue Date. Any redemption of the Subordinated Notes by the Issuer pursuant to this Condition 5(d)(ii) is subject to the Issuer obtaining the prior approval of MAS.*

- (e) **Redemption at the option of holders of Senior Notes:** If Put Option is specified in the applicable Pricing Supplement, the Issuer shall, at the option of the holder of any such Senior Note, upon the holder of such Senior Note giving not less than 15 but not more than 30 days' notice to the Issuer (or such other notice period as may be specified in the applicable Pricing Supplement) redeem such Senior Note on the Optional Redemption Date(s) at the Optional Redemption Amount stated in the applicable Pricing Supplement together with interest accrued but unpaid (if any) to (but excluding) the date fixed for redemption.

To exercise such option the holder must deposit (in the case of Bearer Notes) such Senior Note (together with all unmatured Receipts and Coupons and unexchanged Talons) with any Paying Agent or (in the case of Registered Notes other than AMTNs) the Certificate representing such Senior Note(s) with the Registrar or any Transfer Agent at its specified office, together with a duly completed option exercise notice ("**Exercise Notice**") in the form obtainable from any Paying Agent, the Registrar or any Transfer Agent (as applicable) within the notice period. No such Senior Note so deposited and option exercised may be withdrawn (except as provided in the Agency Agreement) without the prior consent of the Issuer.

*Unless otherwise provided in the applicable Pricing Supplement, the Subordinated Notes are not redeemable prior to the Maturity Date at the option of the Noteholders.*

- (f) **Purchase at the option of Noteholders of Senior Notes:** If VRN Purchase Option is specified in the applicable Pricing Supplement, each Noteholder shall have the option to have all or any of its Variable Rate Notes purchased by the Issuer at their nominal amount on any Interest Payment Date (as defined in Condition 4(n)) and the Issuer will purchase such Variable Rate Notes accordingly. To exercise such option, a Noteholder shall deposit any Variable Rate Notes to be purchased, together with all Coupons relating to such Variable Rate Notes which mature after the date fixed for purchase, together with a duly completed option exercise notice in the form obtainable from the Paying Agent, not later than 5.00 p.m. (Singapore time) on the last day of the VRN Purchase Option Period shown on the face hereof. Any Variable Rate Notes so deposited may not be withdrawn. Such Variable Rate Notes may be held, resold or surrendered to the Paying Agent for cancellation. The Variable Rate Notes so purchased, while held by or on behalf of the Issuer, shall not entitle the holder to vote at any meetings of the Noteholders and shall not be deemed to be outstanding for the purposes of calculating quorums at meetings of the Noteholders or for the purposes of Condition 11(a).

If Purchase Option is specified in the applicable Pricing Supplement, each Noteholder shall have the option to have all or any of its Notes purchased by the Issuer at their nominal amount on any date on which interest is due to be paid on such Notes and the Issuer will purchase such Notes accordingly. To exercise such option, a Noteholder shall deposit any such Notes to be purchased, together with all Coupons relating to such Notes which mature after the date fixed for purchase, together with a duly completed option exercise notice in the form obtainable from the Paying Agent, not later than 5.00 p.m. (Singapore time) on the last day of the Purchase Option shown on the face hereof. Any such Notes so deposited may not be withdrawn. Such Notes may be held, resold or surrendered to the Paying Agent for cancellation. The Notes so purchased, while held by or on behalf of the Issuer, shall not entitle the holder to vote at any meetings of the Noteholders and shall not be deemed to be outstanding for the purposes of calculating quorums at meetings of the Noteholders or for the purposes of Condition 11(a).

(g) **Redemption for Change of Qualification Event in respect of Subordinated Notes:** Subject to Condition 5(m), if as a result of a change or amendment to the relevant requirements issued by MAS, or any change in, or amendment to, the application of official or generally accepted and published interpretation of such relevant requirements issued by MAS or any relevant supervisory authority having jurisdiction over the Issuer, including a ruling or notice issued by MAS or any such relevant supervisory authority, or any interpretation or pronouncement by MAS or any such relevant supervisory authority that provides for a position with respect to such requirements issued by MAS that differs from the previously published official or such generally accepted and published interpretation in relation to similar transactions or which differs from any specific written statements made by MAS or any relevant supervisory authority having jurisdiction over the Issuer in relation to:

- (i) the qualification of the Subordinated Notes as Tier 2 Capital Securities; or
- (ii) the inclusion of any Subordinated Notes in the calculation of the capital adequacy ratio,

in each case, of the Issuer (either on a consolidated or unconsolidated basis) (“**Eligible Capital**”), which change or amendment:

- (x) becomes, or would become, effective on or after the Issue Date; or
- (y) in the case of a change or amendment to the relevant requirements issued by MAS or any relevant authority, if such change or amendment is expected to be issued by MAS or any relevant supervisory authority on or after the Issue Date,

the relevant Subordinated Notes (in whole or in part) would not qualify as Eligible Capital of the Issuer (excluding, for the avoidance of doubt, non-qualification solely by virtue of the Issuer already having, or coming to have, an issue of securities with an aggregate principal amount up to or in excess of the limit of Tier 2 Capital Securities permitted pursuant to the relevant legislation and statutory guidelines in force as at the Issue Date) (a “**Change of Qualification Event**”), then the Issuer may, having given not less than 15 days’ prior written notice to the Noteholders in accordance with Condition 16 (which notice shall be irrevocable), redeem in accordance with these Conditions on any Interest Payment Date (if this Subordinated Note is at the relevant time a Floating Rate Note) or at any time (if this Subordinated Note is at the relevant time not a Floating Rate Note) all, but not some only, of the relevant Subordinated Notes, at their Early Redemption Amount or, if no Early Redemption Amount is specified in the applicable Pricing Supplement, at their nominal amount together with interest accrued but unpaid (if any) to (but excluding) the date fixed for redemption in accordance with these Conditions.

Prior to the publication of any notice of redemption pursuant to this Condition 5(g), the Issuer shall deliver to the Trustee a certificate signed by two authorized signatories of OCBC (and in the case of any other Issuer, one authorized signatory of such Issuer) stating that a Change of Qualification Event has occurred and the Trustee shall be entitled to accept such certificate without any further inquiry as sufficient evidence of the satisfaction of the conditions set out above without liability to any person in which event it shall be conclusive and binding on the Noteholders. Upon expiry of such notice, the Issuer shall redeem the Subordinated Notes in accordance with this Condition 5(g).

*Any redemption of the Subordinated Notes by the Issuer pursuant to this Condition 5(g) is subject to the Issuer obtaining the prior approval of MAS.*

(h) **Variation of Subordinated Notes:**

Subject to Condition 5(m), where this Condition 5(h) is specified as being applicable in the applicable Pricing Supplement for the relevant Subordinated Notes, the Issuer may at any time, without any requirement for the consent or approval of the Noteholders and having given not less than 15 days' notice to the Noteholders in accordance with Condition 16 (which notice shall be irrevocable), vary the terms of those Subordinated Notes, where such variation does not result in terms that are materially less favorable to the Noteholders and so that they remain or, as appropriate, become Qualifying Securities and provided further that:

- (i) such variation does not itself give rise to any right of the Issuer to redeem the varied securities that is inconsistent with the redemption provisions of those Subordinated Notes;
- (ii) neither a Tax Event nor a Capital Event arises as a result of such variation; and
- (iii) the Issuer is in compliance with the rules of any stock exchange on which the Subordinated Notes are for the time being listed or admitted to trading.

In order to give effect to a variation pursuant to this Condition 5(h), the Issuer and the Trustee shall take all such steps, including executing any supplemental deed, as may be necessary or desirable to give effect to such variation. For the avoidance of doubt, the Trustee shall not be responsible or liable for verifying or certifying whether any of the provisions of this Condition 5(h) have been complied with nor incur any liability whatsoever for any failure to do so.

*Any variation (to the extent that any variation would affect the eligibility of the Subordinated Notes as Tier 2 Capital Securities) of the Subordinated Notes by the Issuer pursuant to this Condition 5(h) is subject to the Issuer obtaining the prior approval of MAS.*

In this Condition 5(h):

**“Additional Amounts”** means such additional amounts the Issuer shall pay as will result (after withholding or deduction) in receipt by the Noteholders of the sums which would have been receivable (in the absence of such withholding or deduction) from it in respect of their Subordinated Notes;

a **“Capital Event”** will be deemed to have occurred if any Subordinated Notes are not, or cease to be, eligible in their entirety to be treated as Tier 2 Capital Securities of the relevant Issuer;

**“Qualifying Securities”** means securities, whether debt, equity, interests in limited partnerships or otherwise, issued directly or indirectly by the Issuer that:

- (i) (A) qualify (in whole or in part) as Tier 2 Capital Securities; or
- (B) may be included (in whole or in part) in the calculation of the capital adequacy ratio,

in each case of (x) the Issuer, on an unconsolidated basis, or (y) the Issuer and its subsidiaries, on a consolidated basis;

- (ii) shall:
  - (A) include a ranking at least equal to that of the Subordinated Notes;
  - (B) have at least the same interest rate and the same Interest Payment Dates as those from time to time applying to the Subordinated Notes;
  - (C) have the same redemption rights as the Subordinated Notes;
  - (D) preserve any existing rights under the Subordinated Notes to any accrued interest which has not been paid in respect of the period from (and including) the Interest Payment Date last preceding the date of variation; and
  - (E) if applicable, are assigned (or maintain) the same or higher credit ratings as were assigned to the Subordinated Notes immediately prior to such variation; and
- (iii) are listed on the SGX-ST (or such other stock exchange approved by the Trustee) if the Subordinated Notes were listed immediately prior to such variation; and

a “**Tax Event**” is deemed to have occurred if, in making any payments on any Subordinated Notes, the Issuer has paid or will or would on the next payment date be required to pay any Additional Amounts or payments of interest on the Subordinated Notes will or would be treated as “distributions” or dividends within the meaning of the Income Tax Act or any other act in respect of or relating to Singapore taxation or would otherwise be considered as payments of a type that are non-deductible for Singapore income tax purposes, in each case under the laws or regulations of a Relevant Taxing Jurisdiction (as defined in Condition 8) or any political subdivision or any authority therein or thereof having power to tax (or any taxing authority of any taxing jurisdiction in which the Issuer is a tax resident) or any generally published application or interpretation of such laws or regulations by any relevant tax authority or any generally published pronouncement by any such tax authority, including a decision of any court or tribunal in any such jurisdiction, and the Issuer cannot avoid the foregoing by taking measures reasonably available to it.

If a variation has occurred pursuant to, or otherwise in accordance with, this Condition 5(h), such event will not constitute a Default under these Conditions.

- (i) **Partly Paid Notes:** If the Notes are specified in the applicable Pricing Supplement as being Partly Paid Notes, such Notes will be redeemed, whether at maturity, early redemption or otherwise, in accordance with the provisions of this Condition 5 and the provisions specified in the applicable Pricing Supplement.
- (j) **Purchases:** The Issuer and any of its subsidiaries (with the prior approval of MAS, for so long as the Issuer is required to obtain such approval, in the case of Subordinated Notes) may at any time purchase Notes (provided that all unmaturing Receipts and Coupons and unexchanged Talons relating thereto are attached thereto or surrendered therewith) in the open market or otherwise at any price in accordance with all relevant laws and regulations and, for so long as the Notes are listed, the requirements of the relevant stock exchange. The Issuer or any such subsidiary may, at its option, retain such purchased Notes for its own account and/or resell or cancel or otherwise deal with them at its discretion.

- (k) **Cancellation:** All Notes purchased by or on behalf of the Issuer or any of its subsidiaries may be surrendered for cancellation, in the case of Bearer Notes, by surrendering each such Note together with all unmatured Receipts and Coupons and all unexchanged Talons to the Issuing and Paying Agent and, in the case of Registered Notes (other than AMTNs), by surrendering the Certificate representing such Notes to the Registrar and, in each case, if so surrendered, shall, together with all Notes redeemed by the Issuer, be cancelled forthwith (together with all unmatured Receipts and Coupons and unexchanged Talons attached thereto or surrendered therewith). Any Notes so surrendered for cancellation may not be reissued or resold and the obligations of the Issuer in respect of any such Notes shall be discharged. Any Subordinated Note that is Written-off in full in accordance with Condition 6 or converted in full if and as described in the applicable Pricing Supplement shall be automatically cancelled.

If any AMTN represented by an AMTN Certificate is redeemed or purchased and cancelled in accordance with this Condition 5 then (i) the applicable AMTN Certificate will be deemed to be surrendered and cancelled without any further formality, and (ii) where some, but not all, of the AMTNs represented by that AMTN Certificate are so redeemed, the Issuer will, promptly and without charge, issue and deliver, and procure the authentication by the Australian Agent of, a new AMTN Certificate in respect of those AMTNs that had been represented by the original AMTN Certificate and which remain outstanding following such redemption.

- (l) **No Obligation to Monitor:** In the case of Notes other than AMTNs, the Trustee shall not be under any duty to monitor whether any event or circumstance has happened or exists within this Condition 5 and will not be responsible to the Noteholders, Receiptholders or Couponholders for any loss arising from any failure by it to do so. Unless and until the Trustee has notice in writing of the occurrence of any event or circumstance within this Condition 5, it shall be entitled to assume that no such event or circumstance exists.
- (m) **Redemption or Variation of Subordinated Notes:** Without prejudice to any provision in this Condition 5, any redemption pursuant to Condition 5(c)(ii), Condition 5(d)(ii) or Condition 5(g) or variation pursuant to Condition 5(h) (to the extent that any variation would affect the eligibility of the Subordinated Notes as Tier 2 Capital Securities) of Subordinated Notes by the Issuer is subject to the Issuer obtaining the prior approval of MAS.

*These Conditions may be amended, modified or varied in relation to any Series of Notes by the terms of the applicable Pricing Supplement in relation to such Series.*

## **6 Loss Absorption upon a Trigger Event and Bail-in Power in respect of Subordinated Notes**

- (a) The applicable Pricing Supplement will specify whether “Write-off” or “Conversion” applies as the relevant Loss Absorption Option upon the occurrence of a Trigger Event in relation to the Subordinated Notes to which it relates. If “Write-off” is specified, the provisions of Conditions 6(b) and (c) shall apply. If “Conversion” is specified, the terms applicable thereto will be specified in the applicable Pricing Supplement.

**(b) Write-off on a Trigger Event:**

- (i) If “Write-off” is specified as the Loss Absorption Option in the applicable Pricing Supplement for any Subordinated Notes and if a Trigger Event occurs, the Issuer shall, upon the issue of a Trigger Event Notice, irrevocably and without the need for the consent of the Trustee or the holders of any Subordinated Notes, procure that the Registrar shall reduce the principal amount and cancel any accrued but unpaid interest of each Subordinated Note (in whole or in part) by an amount equal to the Trigger Event Write-off Amount per Subordinated Note (a “**Write-off**”, and “**Written-off**” shall be construed accordingly). Once any principal or interest under a Subordinated Note has been Written-off, it will be extinguished and will not be restored in any circumstances, including where the relevant Trigger Event ceases to continue. No Noteholder may exercise, claim or plead any right to any Trigger Event Write-off Amount, and each Noteholder shall be deemed to have waived all such rights to such Trigger Event Write-off Amount. For the avoidance of doubt, any Write-off in accordance with this Condition 6 shall not constitute a Default (as defined below).
- (ii) If a Trigger Event Notice has been given in respect of any Subordinated Notes in accordance with this Condition 6(b), transfers of any such Subordinated Notes that are the subject of such notice shall not be permitted during the Suspension Period. From the date on which a Trigger Event Notice in respect of any Subordinated Notes in accordance with this Condition 6(b) is issued by the Issuer to the end of the Suspension Period, the Trustee and the Registrar shall not register any attempted transfer of any Subordinated Notes and such an attempted transfer will not be effective.
- (iii) Any reference in these Conditions to principal in respect of the Subordinated Notes shall refer to the principal amount of the Subordinated Note(s), reduced by any applicable Write-off(s).

*Any Write-off of Subordinated Notes or any cancellation, modification, conversion or change in form as a result of the exercise of the MAS’s powers under Division 4A of Part IVB of the MAS Act is subject to the availability of procedures to effect the Write-off in the relevant clearing systems. For the avoidance of doubt, however, any Write-off of any Subordinated Notes, or the giving of effect of a Bail-in Certificate with respect to the Issuer, under this Condition 6 will be effective upon the date that the Issuer specifies in the Trigger Event Notice or in the notice of issue of a Bail-in Certificate (or as may otherwise be notified in writing to Subordinated Noteholders, the Trustee and Agents by the Issuer) notwithstanding any inability to operationally effect any such Write-off or cancellation, modification, conversion or change in form as a result of the exercise of the MAS’s powers under Division 4A of Part IVB of the MAS Act in the relevant clearing system(s).*

**(c) Multiple Trigger Events and Write-offs in part:**

- (i) Where only part of the principal and/or interest of Additional Tier 1 Capital Securities or Tier 2 Capital Securities of the Issuer is to be Written-off, the Issuer shall use reasonable endeavors to conduct any Write-off such that:
  - (A) holders of any Series of Subordinated Notes are treated ratably and equally;
  - (B) the Write-off of any Subordinated Notes is conducted only to the extent that the Trigger Event Write-off Amount (as applicable) exceeds the aggregate nominal amount of all Additional Tier 1 Capital Securities of the Issuer that

are capable of being written-off or converted under any applicable laws and/or their terms of issue analogous to these conditions, so as to Write-off Tier 2 Capital Securities of the Issuer (including the Subordinated Notes) in an aggregate nominal amount equal to the amount of that excess; and

- (C) the Write-off of any Subordinated Notes is conducted on a *pro rata* and proportionate basis with all other Tier 2 Capital Securities of the Issuer, to the extent that such Tier 2 Capital Securities are capable of being written-off or converted under any applicable laws and/or their terms of issue analogous to these Conditions.

*Any loss absorption action to be taken in respect of any Common Equity Tier 1 Capital shall not be required before a Write-off or conversion (if applicable) of any Subordinated Notes can be effected in accordance with these Conditions.*

- (ii) Any Series of Subordinated Notes may be subject to one or more Write-offs in part (as the case may be), except where such Series of Subordinated Notes has been Written-off in its entirety.

**(d) Bail-in Power in respect of Subordinated Notes**

Notwithstanding any other term of the Subordinated Notes, including without limitation Condition 6(b), or any other agreement or arrangement, the Subordinated Notes may be subject to cancellation, modification, conversion, change in form, or have the effect as if a right of modification, conversion, or change of form had been exercised by the MAS in the exercise of the MAS's powers under Division 4A of Part IVB of the MAS Act without prior notice. The Trustee (on behalf of the holders of Subordinated Notes) and each holder of a Subordinated Note shall be subject, and shall be deemed to agree, to be bound by and acknowledge that they are each subject to, having the Subordinated Notes being the subject of the exercise of the MAS's powers under Division 4A of Part IVB of the MAS Act. Further, the Trustee (on behalf of the holders of Subordinated Notes) and each holder of a Subordinated Note shall be deemed to agree to be bound by a Bail-in Certificate.

The rights of the holders of Subordinated Notes and the Trustee (on behalf of the holders of Subordinated Notes) under the Subordinated Notes and these Conditions are subject to, and will be amended and varied (if necessary), solely to give effect to, the exercise of the MAS's powers under Division 4A of Part IVB of the MAS Act.

No repayment of any outstanding principal amount of any Subordinated Notes or payment of any interest on any Subordinated Notes shall become due and payable or be paid after the exercise of the MAS's powers under Division 4A of Part IVB of the MAS Act unless, at the time that such repayment or payment, respectively, is scheduled to become due, such repayment or payment would be permitted to be made by the Issuer under the laws and regulations applicable to the Issuer.

Upon the issue of a Bail-in Certificate with respect to the Subordinated Notes, the Issuer shall provide written notice of such Bail-in Certificate to the holders of Subordinated Notes and the Trustee in accordance with Condition 16 not more than two Business Days after the issue of such Bail-in Certificate.

Neither the cancellation, modification, conversion or change in form of the Subordinated Notes as a result of the exercise of the MAS's powers under Division 4A of Part IVB of the MAS Act with respect to the Issuer or the Subordinated Notes shall constitute a Default under Condition 10(b).



(e) **Definitions:**

In this Condition 6:

**“Bail-in Certificate”** means a bail-in certificate issued pursuant to Section 75 of the MAS Act;

**“Common Equity Tier 1 Capital”** means:

- (i) any security issued by the Issuer; or
- (ii) any other similar instrument issued by any subsidiary of the Issuer,

that, in each case, constitutes Common Equity Tier 1 Capital of the Issuer, on an unconsolidated basis, pursuant to the relevant requirements set out in MAS Notice 637;

**“Loss Absorption Option”** means such loss absorption option as may be specified in the applicable Pricing Supplement in respect of any Subordinated Notes;

**“MAS Act”** means the Monetary Authority of Singapore Act, Chapter 186 of Singapore, as amended;

**“Trigger Event”** means the earlier of:

- (i) MAS notifying the Issuer in writing that it is of the opinion that a Write-off or conversion is necessary, without which the Issuer would become non-viable; and
- (ii) a decision by MAS to make a public sector injection of capital, or equivalent support, without which the Issuer would have become non-viable, as determined by MAS;

**“Trigger Event Notice”** means the notice specifying that a Trigger Event has occurred, which shall be issued by the Issuer not more than two Business Days after the occurrence of a Trigger Event to the holders of the Subordinated Notes, the Trustee and the Issuing and Paying Agent in accordance with Condition 16 and which shall state with reasonable detail the nature of the relevant Trigger Event and, if applicable, specify, as applicable (A) the Trigger Event Write-off Amount per Subordinated Note to be Written-off or (B) details of any conversion consistent with any mechanics specified in the applicable Pricing Supplement. For the purposes of this definition, a Trigger Event Notice shall be deemed to be delivered on a Business Day if it is received by the Trustee at its principal place of business and by the Issuing and Paying Agent and the Registrar at their respective specified offices during normal business hours; and

**“Trigger Event Write-off Amount”** means the amount of interest and/or principal to be Written-off, as the MAS may direct, or as the Issuer (in accordance with the MAS) determines is required to be Written-off for the Trigger Event to cease to continue. For the avoidance of doubt, the Write-off will be effected in full even in the event that the amount Written-off is not sufficient for the Trigger Event to cease to continue.

**(f) Role of the Issuer, the Trustee and the Agents:**

Notwithstanding anything to the contrary that may be set out in these Conditions, the Trust Deed, the Agency Agreement, the applicable Pricing Supplement or any other document relating to the Subordinated Notes:

- (i) neither the Trustee nor any Agent shall be under any duty to determine, monitor or report whether a Trigger Event has occurred or circumstances exist which may lead to the occurrence of a Trigger Event and will not be responsible or liable to the Noteholders or any other person for any loss arising from any failure by it to do so, except where such failure is due to the fraud, negligence or willful misconduct of the Trustee or such Agent. Unless and until the Trustee and the Issuing and Paying Agent receive a Trigger Event Notice in accordance with this Condition 6 and the other Agents are expressly notified in writing, each of them shall be entitled to assume that no such event or circumstance has occurred or exists;
- (ii) each of the Trustee and each Agent shall be entitled without further enquiry and without liability to any Noteholder or any other person to rely on any Trigger Event Notice and such Trigger Event Notice shall be conclusive evidence of the occurrence of the Trigger Event and conclusive and binding on Noteholders;
- (iii) neither the Trustee nor any Agent shall be under any duty to determine or calculate, or verify any determination or calculation of or relating to, any Trigger Event Write-off Amount and will not be responsible or liable to the Noteholders or any other person for any loss arising from any failure by it to do so, except where such failure is due to the fraud, negligence or willful misconduct of the Trustee or such Agent;
- (iv) each of the Trustee, the Agents, Euroclear, Clearstream, CDP, DTC and any other relevant clearing system shall be entitled without further enquiry and without liability to any Noteholder or any other person to rely on any Trigger Event Notice and the Trigger Event Write-off Amount specified therein shall, as to the amount of interest and/or principal to be Written-off, be conclusive and binding on Noteholders;
- (v) as long as such Subordinated Notes are held in global form, neither the Trustee nor any Agent shall, in any circumstances, be responsible or liable to the Issuer, the Noteholders or any other person for any act, omission or default by Euroclear, Clearstream, CDP, DTC or any other relevant clearing system, or its respective participants, members, any broker-dealer or any other relevant third party with respect to the notification and/or implementation of any Write-off by any of them in respect of such Subordinated Notes;
- (vi) once the Issuer has delivered a Trigger Event Notice to the Trustee pursuant to this Condition 6:
  - (A) the Trustee shall not be obliged to take any action pursuant to any direction, instruction or request provided to it pursuant to an Extraordinary Resolution (as defined in the Trust Deed) or a resolution passed at a meeting of Noteholders; and

- (B) any direction, instruction or request given to the Trustee pursuant to an Extraordinary Resolution or a resolution passed at a meeting of Noteholders prior to the date of the Trigger Event Notice shall cease automatically and shall be null and void and of no further effect,

provided that any action taken by the Trustee in respect of any such Subordinated Notes shall only be taken after the relevant Suspension Period;

- (vii) the Issuer, the Trustee and each Agent shall, without the need for the consent or approval of the holders of any Subordinated Notes (or any further action or direction on the part of Noteholders), take any and all such steps in accordance with the Agency Agreement as may be necessary or desirable to give effect to any Trigger Event and any Write-off following the occurrence of the Trigger Event and to reflect the same in the records of Euroclear, Clearstream, CDP, DTC or any other relevant clearing system; and
- (viii) the Trust Deed and Agency Agreement contain certain other protections and disclaimers as applicable to the Trustee and Agents in relation to Condition 6 and each Noteholder shall be deemed to have authorized, directed and requested the Trustee, the Registrar and the other Agents, as the case may be, to take any and all such steps as may be necessary or desirable to give effect to any Trigger Event and any Write-off following the occurrence of the Trigger Event.

## 7 Payments and Talons

- (a) **Bearer Notes not held in CMU:** Payments of principal and interest in respect of Bearer Notes not held in CMU shall, subject as mentioned below, be made against presentation and surrender of the relevant Receipts (in the case of payments of Installment Amounts other than on the due date for redemption and provided that the Receipt is presented for payment together with its relevant Note), Notes (in the case of all other payments of principal and, in the case of interest, as specified in Condition 7(h)(vi)) or Coupons (in the case of interest, save as specified in Condition 7(h)(ii)), as the case may be:
  - (i) in the case of a currency other than Renminbi, at the specified office of any Paying Agent outside the United States by a cheque payable in the relevant currency drawn on, or, at the option of the holder, by transfer to an account denominated in such currency with, a Bank; and
  - (ii) in the case of Renminbi, by transfer to a Renminbi account maintained by or on behalf of a Noteholder with a bank in Singapore or Hong Kong.

In this Condition 7(a), “**Bank**” means a bank in the principal financial center for such currency or, in the case of Euro, in a city in which banks have access to the TARGET System.

- (b) **Bearer Notes held in CMU:** Payments of principal and interest in respect of Bearer Notes held in CMU will be made to the person(s) for whose account(s) interests in the relevant Bearer Note are credited as being held with CMU in accordance with CMU Rules (as defined in the Agency Agreement) at the relevant time as notified to the CMU Lodging and Paying Agent by CMU in a relevant CMU Instrument Position Report (as defined in the Agency Agreement) or any other relevant notification by CMU, which notification shall be conclusive evidence of the records of CMU (save in the case of manifest error) and payment made in accordance thereof shall discharge the obligations of the Issuer in respect of that payment.

(c) **Registered Notes (other than AMTNs) not held in CMU:** This Condition 7(c) does not apply to AMTNs.

(i) Payments of principal (which for the purposes of this Condition 7(c) shall include final Installment Amounts but not other Installment Amounts) in respect of Registered Notes shall be made against presentation and surrender of the relevant Certificates at the specified office of any of the Transfer Agents or of the Registrar and in the manner provided in Condition 7(a)(ii).

(ii) Interest (which for the purpose of this Condition 7(c) shall include all Installment Amounts other than final Installment Amounts) on Registered Notes shall be paid to the person shown on the Register at the close of business (i) on the fifteenth day before the due date for payment thereof or (ii) in the case of Renminbi, on the fifth day before the due date for payment thereof (the “**Record Date**”). Payments of interest on each Registered Note shall be made:

(x) in the case of a currency other than Renminbi, in the relevant currency by cheque drawn on a Bank and mailed to the holder (or to the first named of joint holders) of such Registered Note at its address appearing in the Register. Upon application by the holder to the specified office of the Registrar or any Transfer Agent before the Record Date, such payment of interest may be made by transfer to an account in the relevant currency maintained by the payee with a Bank; and

(y) in the case of Renminbi, by transfer to the registered account of the Noteholder. If a holder does not maintain a registered account in respect of a payment to be made under such Registered Note, the Issuer reserves the right, in its sole discretion and upon such terms as it may determine, to make arrangements to pay such amount to that holder by another means, *provided that* the Issuer shall not have any obligation to make any such arrangements.

In this Condition 7(c)(ii), “**registered account**” means the Renminbi account maintained by or on behalf of the Noteholder with (A) (in the case of Notes cleared through CMU) a bank in Hong Kong or (B) (in the case of Notes cleared through CDP or definitive Notes) a bank in Singapore or Hong Kong, in each case details of which appear on the Register at the close of business on the fifth business day before the due date for payment.

(iii) Noteholders will not be entitled to any interest or other payment for any delay after the due date in receiving the amount due on a Note if the due date is not a relevant business day, if the Noteholder is late in surrendering or cannot surrender its Certificate (if required to do so) or if a cheque mailed in accordance with Condition 7(c)(ii) arrives after the due date for payment.

(d) **Registered Notes (other than AMTNs) held in CMU:** This Condition 7(d) does not apply to AMTNs.

Payments of principal and interest in respect of Registered Notes held in CMU will be made to the person(s) for whose account(s) interests in the relevant Registered Note are credited as being held with CMU in accordance with CMU Rules (as defined in the Agency Agreement) at the relevant time as notified to the CMU Lodging and Paying Agent by CMU in a relevant CMU Instrument Position Report (as defined in the Agency Agreement) or any other relevant notification by CMU, which notification shall be conclusive evidence of the records of CMU (save in the case of manifest error) and payment made in accordance thereof shall discharge the obligations of the Issuer in respect of that payment.

*For so long as any of the Notes that are cleared through CMU are represented by a Global Note or a Global Certificate, payments of interest or principal will be made to the persons for whose account a relevant interest in that Global Note or, as the case may be, that Global Certificate is credited as being held by the operator of CMU at the relevant time, as notified to the CMU Lodging and Paying Agent by the operator of CMU in a relevant CMU Instrument Position Report (as defined in the rules of CMU) or in any other relevant notification by the operator of CMU. Such payment will discharge the Issuer's obligations in respect of that payment. Any payments by CMU participants to indirect participants will be governed by arrangements agreed between CMU participants and the indirect participants and will continue to depend on the inter-bank clearing system and traditional payment methods. Such payments will be the sole responsibility of such CMU participants.*

- (e) **Payments in the United States:** Notwithstanding the foregoing, if any Bearer Notes are denominated in U.S. dollars, payments in respect thereof may be made at the specified office of any Paying Agent in New York City in the same manner as aforesaid if (i) the Issuer shall have appointed Paying Agents with specified offices outside the United States with the reasonable expectation that such Paying Agents would be able to make payment of the amounts on the Notes in the manner provided above when due, (ii) payment in full of such amounts at all such offices is illegal or effectively precluded by exchange controls or other similar restrictions on payment or receipt of such amounts and (iii) such payment is then permitted by United States law, without involving, in the opinion of the Issuer, any adverse tax consequence to the Issuer.
- (f) **Payments subject to fiscal laws:** All payments are subject in all cases to any applicable fiscal or other laws, regulations and directives in the place of payment or other laws to which the Issuer agrees to be subject and the Issuer will not be liable for any taxes or duties of whatever nature imposed or levied by such laws, regulations, directives or agreements, but without prejudice to the provisions of Condition 8. No commission or expenses shall be charged to the Noteholders, Receiptholders or Couponholders in respect of such payments.
- (g) **Appointment of Agents:** The Issuing and Paying Agent, the CMU Lodging and Paying Agent, the CDP Paying Agent, the U.S. Paying Agent, the Paying Agents, the Registrar, the Australian Agent, the Exchange Agent, the Transfer Agents and the Calculation Agent initially appointed by the Issuer and their respective specified offices are listed below. The Issuing and Paying Agent, the CMU Lodging and Paying Agent, the CDP Paying Agent, the U.S. Paying Agent, the Paying Agents, the Registrar, the Australian Agent, the Exchange Agent, the Transfer Agents and the Calculation Agent act solely as agents of the Issuer and do not assume any obligation or relationship of agency or trust for or with any Noteholder, Receiptholders or Couponholder. The Issuer reserves the right at any time with the approval of the Trustee to vary or terminate the appointment of the Issuing and Paying Agent, the CMU Lodging and Paying Agent, the CDP Paying Agent, the U.S. Paying Agent, any other Paying Agent, the Registrar, the Australian Agent, the Exchange Agent, any Transfer Agent or the Calculation Agent(s) and to appoint additional or other Paying Agents or Transfer Agents, provided that the Issuer shall at all times maintain (i) an Issuing and Paying Agent, (ii) a Registrar or Australian Agent (as applicable) in relation to Registered Notes, (iii) a Transfer Agent in relation to Registered Notes, (iv) a CMU Lodging and Paying Agent in relation to Notes cleared through CMU, (v) a CDP Paying Agent in relation to Notes cleared through CDP, (vi) a U.S. Paying Agent in relation to Notes cleared through DTC, (vii) one or more Calculation Agent(s) where these Conditions so require and (viii) such other agents as may be required by any other stock exchange on which the Notes may be listed in each case, as approved by the Trustee.

In addition, the Issuer shall forthwith appoint a Paying Agent in New York City in respect of any Bearer Notes denominated in U.S. dollars in the circumstances described in Condition 7(e).

Notice of any such change or any change of any specified office shall promptly be given to the Noteholders.

So long as any Global Certificate payable in a specified currency other than U.S. dollars is held through DTC or its nominee, there will at all times be an Exchange Agent with a specified office in New York City.

**(h) Unmatured Coupons and Receipts and unexchanged Talons:**

- (i) Upon the due date for redemption of Bearer Notes which comprise Fixed Rate Notes such Notes should be surrendered for payment together with all unmaturing Coupons (if any) relating thereto, failing which an amount equal to the face value of each missing unmaturing Coupon (or, in the case of payment not being made in full, that proportion of the amount of such missing unmaturing Coupon that the sum of principal so paid bears to the total principal due) shall be deducted from the Final Redemption Amount, Early Redemption Amount or Optional Redemption Amount, as the case may be, due for payment. Any amount so deducted shall be paid in the manner mentioned above against surrender of such missing Coupon within a period of 10 years from the Relevant Date for the payment of such principal (whether or not such claim in relation to such Coupon has become void pursuant to Condition 9).
- (ii) Upon the due date for redemption of any Bearer Note which does not comprise a Fixed Rate Note, unmaturing Coupons relating to such Note (whether or not attached) shall become void and no payment shall be made in respect of them.
- (iii) Upon the due date for redemption of any Bearer Note, any unexchanged Talon relating to such Note (whether or not attached) shall become void and no Coupon shall be delivered in respect of such Talon.
- (iv) Upon the due date for redemption of any Bearer Note that is redeemable in installments, all Receipts relating to such Note having an Installment Date falling on or after such due date (whether or not attached) shall become void and no payment shall be made in respect of them.
- (v) Where any Bearer Note that provides that the relevant unmaturing Coupons are to become void upon the due date for redemption of those Notes is presented for redemption without all unmaturing Coupons, and where any Bearer Note is presented for redemption without any unexchanged Talon relating to it, redemption shall be made only against the provision of such indemnity as the Issuer may require.
- (vi) If the due date for redemption of any Note is not a due date for payment of interest, interest accrued from the preceding due date for payment of interest or the Interest Commencement Date, as the case may be, shall only be payable against presentation (and surrender if appropriate) of the relevant Bearer Note or Certificate representing it, as the case may be. Interest accrued on a Note that only bears interest after its Maturity Date shall be payable on redemption of such Note against presentation of the relevant Note or Certificate representing it, as the case may be.

- (i) **Talons:** On or after the Interest Payment Date for the final Coupon forming part of a Coupon sheet issued in respect of any Bearer Note, the Talon forming part of such Coupon sheet may be surrendered at the specified office of the Issuing and Paying Agent in exchange for a further Coupon sheet (and if necessary another Talon for a further Coupon sheet) (but excluding any claims in relation to Coupons that may have become void pursuant to Condition 9).
- (j) **Non-Business Days:** If any date for payment in respect of any Note, Receipt or Coupon is not a business day, the holder shall not be entitled to payment until the next following business day nor to any interest or other sum in respect of such postponed payment. In this Condition 7(j), “**business day**” means a day (other than a Saturday or a Sunday) on which banks and foreign exchange markets are open for business in the relevant place of presentation, in such other jurisdictions as shall be specified as “Financial Centers” in the applicable Pricing Supplement and:
- (i) (in the case of a payment in a currency other than Euro and Renminbi) where payment is to be made by transfer to an account maintained with a bank in the relevant currency, on which foreign exchange transactions may be carried on in the relevant currency in the principal financial center of the country of such currency; or
  - (ii) (in the case of a payment in Euro) which is a TARGET Business Day; or
  - (iii) (in the case of Renminbi where the Notes are cleared through CMU) on which banks and foreign exchange markets are open for business and settlement of Renminbi payments in Hong Kong; or
  - (iv) (in the case of Renminbi where the Notes are cleared through CDP or in definitive form) on which banks and foreign exchange markets are open for business and settlement of Renminbi payments in Singapore and Hong Kong; or
  - (v) (in the case of Renminbi where the Notes are cleared through Euroclear or Clearstream) on which banks and foreign exchange markets are open for business and settlement of Renminbi payments in London.
- (k) **Renminbi Disruption Fallback:** Notwithstanding the foregoing, if (i) Renminbi is, in the reasonable opinion of the Issuer, not expected to be available to the Issuer when payment of the Notes is due as a result of circumstances beyond the control of the Issuer or (ii) by reason of Inconvertibility, Non-transferability or Illiquidity, the Issuer is not able to satisfy payments of principal or interest in respect of the Notes when due in Renminbi (in the case of Notes cleared through CMU, Euroclear or Clearstream) in Hong Kong or (in the case of Notes cleared through CDP) in Singapore, the Issuer shall, on giving not less than five nor more than 30 days’ irrevocable notice to the Noteholders prior to the due date for payment, settle any such payment (in the case of Notes cleared through CMU, Euroclear or Clearstream) in U.S. dollars on the due date at the U.S. Dollar Equivalent, or (in the case of Notes cleared through CDP) in Singapore dollars on the due date at the Singapore Dollar Equivalent, of any such Renminbi denominated amount. The due date for payment shall be the originally scheduled due date or such postponed due date as shall be specified in the notice referred to above, which postponed due date may not fall more than 20 days after the originally scheduled due date. Interest on the Notes will continue to accrue up to but excluding any such date for payment of principal.

In such event, payments of the U.S. Dollar Equivalent or the Singapore Dollar Equivalent (as applicable) of the relevant principal or interest in respect of the Notes shall be made by:

- (i) in the case of Notes cleared through CMU, Euroclear or Clearstream, transfer to a U.S. dollar denominated account maintained by the payee with, or by a U.S. dollar denominated cheque drawn on, or, at the option of the holder, by transfer to a U.S. dollar account maintained by the holder with, a bank in New York City and the definition of “**business day**” for the purpose of Condition 7(j) shall mean any day on which banks and foreign exchange markets are open for general business in the relevant place of presentation, and New York City; or
- (ii) in the case of Notes cleared through CDP, transfer to a Singapore dollar denominated account maintained by the payee with, or by a Singapore dollar denominated cheque drawn on, a bank in Singapore.

For the purposes of this Condition 7:

“**Determination Business Day**” means a day (other than a Saturday or Sunday) on which commercial banks are open for general business (including dealings in foreign exchange):

- (i) in the case of Notes cleared through CMU, Euroclear or Clearstream, in Hong Kong and New York City; or
- (ii) in the case of Notes cleared through CDP, in Singapore.

“**Determination Date**” means the day which:

- (i) in the case of Notes cleared through CMU, Euroclear or Clearstream, is two Determination Business Days before the due date for payment of the relevant amount under these Conditions; or
- (ii) in the case of Notes cleared through CDP, is seven Determination Business Days before the due date of the relevant amount under these Conditions.

“**Governmental Authority**” means:

- (i) in the case of Notes cleared through CMU, Euroclear or Clearstream, any *de facto* or *de jure* government (or any agency or instrumentality thereof), court, tribunal, administrative or other governmental authority or any other entity (private or public) charged with the regulation of the financial markets (including the central bank) of Hong Kong; or
- (ii) in the case of Notes cleared through CDP, MAS or any other governmental authority or any other entity (private or public) charged with the regulation of the financial markets of Singapore.



**“Illiquidity”** means:

- (i) in the case of Notes cleared through CMU, Euroclear or Clearstream, the general Renminbi exchange market in Hong Kong becomes illiquid as a result of which the Issuer cannot obtain sufficient Renminbi in order to satisfy its obligation to pay interest or principal in respect of the Notes as determined by the Issuer in good faith and in a commercially reasonable manner following consultation with two Renminbi Dealers selected by the Issuer; or
- (ii) in the case of Notes cleared through CDP, the general Renminbi exchange market in Singapore becomes illiquid as a result of which the Issuer cannot obtain sufficient Renminbi in order to satisfy its obligation to pay interest or principal in respect of the Notes as determined by the Issuer in good faith and in a commercially reasonable manner following consultation with two Renminbi Dealers selected by the Issuer.

**“Inconvertibility”** means the occurrence of any event that makes it impossible (where it had been previously possible) for the Issuer to convert any amount due in respect of the Notes in the general Renminbi exchange market in (in the case of Notes cleared through CMU, Euroclear or Clearstream) Hong Kong or (in the case of Notes cleared through CDP) Singapore, other than where such impossibility is due solely to the failure of the Issuer to comply with any law, rule or regulation enacted by any Governmental Authority (unless such law, rule or regulation is enacted after the Issue Date and it is impossible for the Issuer, due to an event beyond its control, to comply with such law, rule or regulation).

**“Non-transferability”** means the occurrence of any event that makes it impossible for the Issuer to deliver Renminbi between accounts:

- (i) in the case of Notes cleared through CMU, Euroclear or Clearstream, inside Hong Kong or from an account inside Hong Kong to an account outside Hong Kong and outside the PRC or from an account outside Hong Kong and outside the PRC to an account inside Hong Kong, other than where such impossibility is due solely to the failure of the Issuer to comply with any law, rule or regulation enacted by any Governmental Authority (unless such law, rule or regulation is enacted after the Issue Date and it is impossible for the Issuer, due to an event beyond its control, to comply with such law, rule or regulation); or
- (ii) in the case of Notes cleared through CDP, inside Singapore or from an account inside Singapore to an account outside Singapore and outside the PRC or from an account outside Singapore and outside the PRC to an account inside Singapore, other than where such impossibility is due solely to the failure of the Issuer to comply with any law, rule or regulation enacted by any Governmental Authority (unless such law, rule or regulation is enacted after the Issue Date and it is impossible for the Issuer, due to an event beyond its control, to comply with such law, rule or regulation).

**“PRC”** means the People’s Republic of China (excluding the Hong Kong Special Administrative Region, the Macau Special Administrative Region and Taiwan).

**“Renminbi Dealer”** means an independent foreign exchange dealer of international repute active in the Renminbi exchange market in (in the case of Notes cleared through CMU, Euroclear or Clearstream) Hong Kong or (in the case of Notes cleared through CDP) Singapore.

**“Singapore Dollar Equivalent”** means the Renminbi amount converted into Singapore dollars using the relevant Spot Rate for the relevant Determination Date, as promptly notified to the Issuer and the Paying Agents.

**“Spot Rate”** means:

- (i) in the case of Notes cleared through CMU, Euroclear or Clearstream, the spot CNY/U.S. dollar exchange rate for the purchase of U.S. dollars with Renminbi in the over-the-counter Renminbi exchange market in Hong Kong for settlement in two Determination Business Days, as determined by the Calculation Agent at or around 11.00 a.m. (Hong Kong time) on the Determination Date, on a deliverable basis by reference to Reuters Screen Page TRADCNY3, or if no such rate is available, on a non-deliverable basis by reference to Reuters Screen Page TRADNDF.

If such rate is not available, the Calculation Agent will determine the Spot Rate at or around 11.00 a.m. (Hong Kong time) on the Determination Date as the most recently available CNY/U.S. dollar official fixing rate for settlement in two Determination Business Days reported by The State Administration of Foreign Exchange of the PRC, which is reported on the Reuters Screen Page CNY=SAEC. Reference to a page on the Reuters Screen means the display page so designated on the Reuter Monitor Money Rates Service (or any successor service) or such other page as may replace that page for the purpose of displaying a comparable currency exchange rate; or

- (ii) in the case of Notes cleared through CDP, the spot CNY/Singapore dollar exchange rate as determined by the Issuer at or around 11.00 a.m. (Singapore time) on the Determination Date in good faith and in a reasonable commercial manner, and if a spot rate is not readily available, the Issuer may determine the rate taking into consideration all available information which the Issuer deems relevant, including pricing information obtained from the Renminbi non-deliverable exchange market in Singapore or elsewhere and the PRC domestic foreign exchange market in Singapore (and, for the avoidance of doubt, the Calculation Agent shall have no obligation to determine the Spot Rate in the case of Notes cleared through CDP).

All notifications, opinions, determinations, certificates, calculations, quotations and decisions given, expressed, made or obtained for the purposes of the provisions of this Condition 7(k) by the Calculation Agent, will (in the absence of willful default, bad faith or manifest error) be binding on the Issuer, the Agents and all Noteholders.

**“U.S. Dollar Equivalent”** means the Renminbi amount converted into U.S. dollars using the Spot Rate for the relevant Determination Date as promptly notified to the Issuer and the Paying Agents.

(I) **AMTNs:**

- (i) The Australian Agent will act (through its office in Sydney) as paying agent for AMTNs pursuant to the Australian Agency Agreement and:
  - (A) if the AMTN is in the clearing system (the **“Austraclear System”**) operated by Austraclear, by crediting on the relevant Interest Payment Date or Maturity Date (as the case may be) the amount then due to the account (held with a bank in Australia) of Austraclear in accordance with the rules and regulations

known as the “**Austraclear System Regulations**” established by Austraclear (as amended or replaced from time to time) to govern the use of the Austraclear System;

- (B) if the AMTN is not in the Austraclear System, by crediting on the Interest Payment Date or Maturity Date (as the case may be), the amount then due to an account (held with a bank in Australia) previously notified in writing by the holder of the AMTN to the Issuer and the Australian Agent.

If a payment in respect of the AMTN is prohibited by law from being made in Australia, such payment will be made in an international financial center for the account of the relevant payee, and on the basis that the relevant amounts are paid in immediately available funds, freely transferrable at the order of the payee.

For the purposes of this Condition 7(l), in relation to AMTNs, “**Business Day**” has the meaning given in the Australian Agency Agreement.

- (ii) Payments of principal and interest will be made in Sydney in Australian dollars to the persons registered at the close of business in Sydney on the relevant Record Date (as defined below) as the holders of such AMTNs, subject in all cases to normal banking practice and all applicable laws and regulations. Payment will be made by cheques drawn on the Sydney branch of an Australian bank dispatched by post on the relevant payment date at the risk of the Noteholder or, at the option of the Noteholder, by the Australian Agent giving in Sydney irrevocable instructions for the effecting of a transfer of the relevant funds to an Australian dollar account in Australia specified by the Noteholder to the Australian Agent (or in any other manner in Sydney which the Australian Agent and the Noteholder agree).
- (iii) In the case of payments made by electronic transfer, payments will for all purposes be taken to be made when the Australian Agent gives irrevocable instructions in Sydney for the making of the relevant payment by electronic transfer, being instructions which would be reasonably expected to result, in the ordinary course of banking business, in the funds transferred reaching the account of the Noteholder on the same day as the day on which the instructions are given.
- (iv) If a cheque posted or an electronic transfer for which irrevocable instructions have been given by the Australian Agent is shown, to the satisfaction of the Australian Agent, not to have reached the Noteholder and the Australian Agent is able to recover the relevant funds, the Australian Agent may make such other arrangements as it thinks fit for the effecting of the payment in Sydney.
- (v) Interest will be calculated in the manner specified in Condition 4 and will be payable to the persons who are registered as Noteholders at the close of business in Sydney on the relevant Record Date and cheques will be made payable to the Noteholder (or, in the case of joint Noteholders, to the first-named) and sent to their registered address, unless instructions to the contrary are given by the Noteholder (or, in the case of joint Noteholders, by all the Noteholders) in such form as may be prescribed by the Australian Agent. Payments of principal will be made to, or to the order of, the persons who are registered as Noteholders at the close of business in Sydney on the relevant Record Date, subject, if so directed by the Australian Agent, to receipt from them of such instructions as the Australian Agent may require.

- (vi) If any day for payment in respect of any AMTN is not a Business Day, such payment shall not be made until the next day which is a Business Day, and no further interest shall be paid in respect of the delay in such payment.
- (vii) Payments will be subject in all cases to any fiscal or other laws and regulations applicable thereto. Neither the Issuer nor the Australian Agent shall be liable to any Noteholder or other person for any commissions, costs, losses or expenses in relation to or resulting from such payments.

In this Condition 7(l) in relation to AMTNs, “**Record Date**” means, in the case of payments of principal or interest, the close of business in Sydney on the date which is the fifteenth calendar day before the due date of the relevant payment of principal or interest.

## 8 Taxation

All payments of principal and interest by or on behalf of the Issuer in respect of the Notes, the Receipts and the Coupons shall be made free and clear of, and without withholding or deduction for, any taxes, duties, assessments or governmental charges of whatever nature imposed, levied, collected, withheld or assessed by a Relevant Taxing Jurisdiction or any authority therein or thereof having power to tax, unless such withholding or deduction is required by law. In that event, the Issuer shall pay such additional amounts (the “**Additional Amounts**”) as shall result in receipt by the Noteholders, Receiptholders and Couponholders of such amounts as would have been received by them had no such withholding or deduction been required, except that no such Additional Amounts shall be payable with respect to any Note, Receipt or Coupon:

- (a) **Other connection:** to, or to a third party on behalf of, a holder who is (i) treated as a resident of the Relevant Taxing Jurisdiction or as having a permanent establishment in the Relevant Taxing Jurisdiction for tax purposes or (ii) liable to such taxes, duties, assessments or governmental charges in respect of such Note, Receipt, Talon or Coupon by reason of his having some connection with the Relevant Taxing Jurisdiction other than the mere holding or ownership of the Note, Receipt, Talon or Coupon or receiving income therefrom, or the enforcement thereof; or
- (b) **Lawful avoidance of withholding:** to, or to a third party on behalf of, a holder who could lawfully avoid (but has not so avoided) such deduction or withholding by complying or procuring that any third party complies with any statutory requirements or by making or procuring that any third party makes a declaration of non-residence or other similar claim for exemption to any tax authority in the place where the relevant Note (or the Certificate representing it), Receipt or Coupon is presented for payment; or
- (c) **Presentation more than 30 days after the Relevant Date:** presented (or in respect of which the Certificate representing it is presented) for payment more than 30 days after the Relevant Date except to the extent that the holder of it would have been entitled to such Additional Amounts on presenting it for payment on the thirtieth such day; or
- (d) **Payment to an associate:** to, or to a third party on behalf of, a holder of a Note issued by the Issuer through its Australian branch or by a Specified Issuer that is a resident of Australia (and who is not acting through a branch outside of Australia) who is an “associate” (as that term is defined in section 128F(9) of the Income Tax Assessment Act 1936 of Australia) of the Issuer or Specified Issuer, as relevant and such holder is not acting in the capacity of a clearing house, paying agent, custodian, funds manager or responsible entity of a registered scheme within the meaning of the Australian Corporations Act;

- (e) **Australian tax file number/Australian Business Number withholding tax:** to, or to a third party on behalf of, a holder of a Registered Note, if that person has not supplied an appropriate Australian tax file number, Australian Business Number or details of an applicable exemption from these requirements; or
- (f) **Garnishee directions by the Australian Commissioner of Taxation:** to, or to a third party on behalf of, a holder of a Note where such withholding or deduction is required to be made pursuant to a notice or direction issued by the Commissioner of Taxation under section 255 of the Income Tax Assessment Act 1936 of Australia or section 260-5 of Schedule 1 to the Taxation Administration Act 1953 of Australia or any similar law.

For the avoidance of doubt, neither the Issuer nor any other person shall be required to pay any Additional Amounts or otherwise indemnify a holder for any withholding or deduction required pursuant to an agreement described in Section 1471(b) of the United States Internal Revenue Code of 1986, as amended (the “**Code**”) as amended or otherwise imposed pursuant to Sections 1471 through 1474 of the Code (or any regulations thereunder or official interpretations thereof) or an intergovernmental agreement between the United States and another jurisdiction facilitating the implementation thereof (or any law implementing such an intergovernmental agreement).

As used in these Conditions,

- (i) “**Relevant Date**” in respect of any Note, Receipt, Talon or Coupon means the date on which payment in respect of it first becomes due or (if any amount of the money payable is improperly withheld or refused) the date on which payment in full of the amount outstanding is made or (if earlier) the date seven days after that on which notice is duly given to the Noteholders that, upon further presentation of the Note (or relevant Certificate), Receipt, Talon or Coupon being made in accordance with these Conditions, such payment will be made, provided that payment is in fact made upon such presentation. References in these Conditions to (i) “principal” shall be deemed to include any premium payable in respect of the Notes, all Installment Amounts, Final Redemption Amounts, Early Redemption Amounts, Optional Redemption Amounts, Amortized Face Amounts and all other amounts in the nature of principal payable pursuant to Condition 5 or any amendment or supplement to it, (ii) “interest” shall be deemed to include all Interest Amounts and all other amounts payable pursuant to Condition 4 or any amendment or supplement to it and (iii) “principal” and/or “interest” shall be deemed to include any additional amounts that may be payable under this Condition 8 or any undertaking given in addition to or in substitution for it under the Trust Deed.
- (ii) “**Relevant Taxing Jurisdiction**” means, in respect of Senior Notes, Singapore or any country in which the branch of the Issuer through which the Issuer is issuing the Senior Notes is located or the country of the Specified Issuer and (ii) in respect of Subordinated Notes, Singapore.

*Where interest, discount income, prepayment fee, redemption premium or break cost is derived from any of the Notes or Coupons (if applicable) by any person who is not resident in Singapore and who carries on any operations in Singapore through a permanent establishment in Singapore, the tax exemption available for qualifying debt securities (subject to certain conditions) under the Income Tax Act, shall not apply if such person acquires such Notes or Coupons (if applicable) using the funds and profits of such person’s operations through a permanent establishment in Singapore. Any person whose interest, discount income, prepayment fee, redemption premium or break cost derived from the Notes is not exempt from tax (including for the reasons described above) shall include such income in a return of income made under the Income Tax Act.*

## 9 Prescription

Claims against the Issuer for payment in respect of the Notes, Receipts and Coupons (which, for this purpose, shall not include Talons) shall be prescribed and become void unless made within 10 years (in the case of principal) or five years (in the case of interest) from the appropriate Relevant Date in respect of them.

## 10 Events of Default

### (a) Senior Notes:

If any of the following events (“**Events of Default**”) occurs and is continuing, (i) in the case of Senior Notes (other than AMTNs), the Trustee at its absolute discretion may, and if so requested by holders of at least one-quarter in nominal amount of the Senior Notes then outstanding or if so directed by an Extraordinary Resolution shall (subject in each case to its being indemnified and/or secured to its satisfaction) give notice to the Issuer that the Senior Notes are, and they shall immediately become, due and payable at their Early Redemption Amount together (if applicable) with accrued interest or (ii) in the case of AMTNs, the holder of an AMTN may, give written notice to the Australian Agent and the Issuer that such AMTN is immediately repayable, whereupon the Early Redemption Amount of such AMTN together (if applicable) with accrued interest to the date of payment shall become immediately due and payable, unless such event of default shall have been remedied prior to the receipt of such notice by the Australian Agent or the Issuer:

- (i) *Non-Payment*: default is made for more than 14 days in the payment on the due date of interest or principal in respect of any of the Senior Notes; or
- (ii) *Breach of Other Obligations*: the Issuer does not perform or comply with any one or more of its other obligations under the Senior Notes, the Trust Deed or the Note (AMTN) Deed Poll, which default has not been remedied within 60 days after notice of such default shall have been given to the Issuer by the Trustee or a holder of the relevant AMTNs; or
- (iii) *Insolvency*: the Issuer is (or is deemed by law or a court of competent jurisdiction to be) insolvent or bankrupt or unable to pay its debts as they fall due, stops, suspends or threatens to stop or suspend payment of all or a material part of its debts, or makes a general assignment or an arrangement or composition with or for the benefit of all its creditors in respect of any such debts or a moratorium is agreed or declared in respect of all or a material part of the debts of the Issuer; or
- (iv) *Winding-up*: an order is made or an effective resolution passed for the winding-up or dissolution or administration of the Issuer, or the Issuer shall apply or petition for a winding-up or administration order in respect of itself or ceases or through an official action of its board of directors threatens to cease to carry on all or a substantial part of its business or operations, in each case except for the purpose of and followed by a reconstruction, amalgamation, reorganisation, merger or consolidation.

(b) **Subordinated Notes:** In the case of the Subordinated Notes:

- (i) **Default:** “Default”, wherever used in these Conditions, means (except as expressly provided below, whatever the reason for such Default and whether or not it shall be voluntary or involuntary or be effected by the operation of law or pursuant to any judgment, decree or order of any court or any order, rule or regulation of any administrative or governmental body) failure to pay principal of or interest on any Subordinated Note (which default in the case of principal continues for seven Business Days and in the case of interest continues for 14 Business Days) after the due date for such payment.

If a Write-off or conversion has occurred pursuant to, or otherwise in accordance with, Condition 6 or (with respect to a conversion) any applicable Pricing Supplement, such event will not constitute a Default under these Conditions.

- (ii) **Enforcement:** If a Default occurs and is continuing, the Trustee may in its absolute discretion institute proceedings in Singapore (but not elsewhere) for the winding-up of the Issuer. The Trustee shall have no right to enforce payment under or accelerate payment of any Subordinated Note in the case of such Default in payment on such Subordinated Note or a default in the performance of any other covenant of the Issuer in such Subordinated Note or in the Trust Deed except as provided for in this Condition 10 and Clause 7 of the Trust Deed.

Subject to the subordination provisions as set out in Condition 3, in Clause 5 and Clause 7.2 of the Trust Deed, if a court order is made or an effective resolution is passed for the winding-up of the Issuer, there shall be payable on the Subordinated Notes after the payment in full of all claims of all Senior Creditors, but in priority to holders of share capital of the Issuer and Additional Tier 1 Capital Securities and/or as otherwise specified in the applicable Pricing Supplement or in a supplement to the Offering Memorandum, such amount remaining after the payment in full of all claims of all Senior Creditors up to, but not exceeding, the nominal amount of the Subordinated Notes together with interest accrued to the date of repayment.

- (iii) **Rights and Remedies upon Default:** If a Default in respect of the payment of principal of or interest on the Subordinated Notes occurs and is continuing, the sole remedy available to the Trustee shall be the right to institute proceedings in Singapore (but not elsewhere) for the winding-up of the Issuer. If the Issuer shall default in the performance of any obligation contained in the Trust Deed, other than a Default specified in Condition 10(b)(i), the Trustee and the Noteholders shall be entitled to every right and remedy given hereunder or thereunder or now or hereafter existing at law or in equity or otherwise, provided, however, that the Trustee shall have no right to enforce payment under or accelerate payment of any Subordinated Note except as provided in this Condition 10(b)(iii) and Clause 7.2 of the Trust Deed.

If any court awards money damages or other restitution for any default with respect to the performance by the Issuer of its obligations contained in the Trust Deed, the payment of such money damages or other restitution shall be subject to the subordination provisions set out herein and in Clause 5 and Clause 7.2 of the Trust Deed.

- (iv) **Entitlement of the Trustee:** The Trustee shall not be bound to take any of the actions referred to in Condition 10(b)(ii) or Condition 10(b)(iii) or Clause 7.2 of the Trust Deed or any other action under the Trust Deed unless (i) it shall have been so requested by an Extraordinary Resolution (as defined in the Trust Deed) of the Noteholders or in writing by the holders of at least one-quarter in nominal amount of the Subordinated Notes then outstanding and (ii) it shall have been indemnified and/or secured to its satisfaction.
- (v) **Rights of Holders:** No Noteholder shall be entitled to proceed directly against the Issuer or to institute proceedings for the winding-up of the Issuer in Singapore or to prove in any winding-up of the Issuer unless the Trustee, having become so bound to proceed (in accordance with the terms of the Trust Deed) or being able to prove in such winding-up, fails to do so within a reasonable period and such failure shall be continuing, in which case the Noteholder shall have only such rights against the Issuer as those which the Trustee is entitled to exercise.

No remedy against the Issuer, other than as referred to in this Condition 10 and Clause 7 of the Trust Deed, shall be available to the Trustee or any Noteholder whether for the recovery of amounts owing in relation to or arising from the Subordinated Notes and/or the Trust Deed or in respect of any breach by the Issuer of any of its other obligations relating to or arising from the Subordinated Notes and/or the Trust Deed.

## 11 Meetings of Noteholders, Modification and Waiver

Condition 11(a), Condition 11(b) and Condition 11(c) do not apply to AMTNs.

- (a) **Meetings of Noteholders:** The Trust Deed contains provisions for convening meetings of Noteholders to consider any matter affecting their interests, including the sanctioning by Extraordinary Resolution (as defined in the Trust Deed) of a modification of any of these Conditions or any provision of the Trust Deed. Such a meeting may be convened by Noteholders holding not less than 10% in nominal amount of the Notes for the time being outstanding. The quorum for any meeting convened to consider an Extraordinary Resolution shall be two or more persons holding or representing a clear majority in nominal amount of the Notes for the time being outstanding, or at any adjourned meeting two or more persons being or representing Noteholders whatever the nominal amount of the Notes held or represented, unless the business of such meeting includes consideration of proposals, *inter alia*, (i) to amend the dates of maturity or redemption of the Notes, any Installment Date or any date for payment of interest or Interest Amounts on the Notes, (ii) to reduce or cancel the nominal amount of, or any Installment Amount of, or any premium payable on redemption of, the Notes, (iii) to reduce the rate or rates of interest in respect of the Notes or to vary the method or basis of calculating the rate or rates or amount of interest or the basis for calculating any Interest Amount in respect of the Notes (except as a result of any modification contemplated in Condition 4(o)), (iv) if a Minimum and/or a Maximum Rate of Interest, Installment Amount or Redemption Amount is shown in the applicable Pricing Supplement, to reduce any such Minimum and/or Maximum, (v) to vary any method of, or basis for, calculating the Final Redemption Amount, the Early Redemption Amount or the Optional Redemption Amount, including, in the case of Zero Coupon Notes, the method of calculating the Amortized Face Amount, (vi) to vary the currency or currencies of payment or the Specified Denomination of the Notes, (vii) to take any steps that as specified in the applicable Pricing Supplement may only be taken following approval by an Extraordinary Resolution to which the special quorum provisions apply, (viii) to modify the provisions concerning the quorum required at any meeting of Noteholders or the majority required to pass the Extraordinary Resolution, (ix) to modify Condition 3 in respect of the Subordinated Notes, (x) to modify Condition 5(i) where Condition 5(i) is specified as being applicable in the Pricing Supplement for the relevant Subordinated



Notes or (xi) to sanction the exchange or substitution for the Notes of, or the conversion of the Notes into, shares, bonds or other obligations or securities of the Issuer or any other entity in circumstances other than where “Conversion” is specified in the applicable Pricing Supplement and as contemplated by such provisions, in which case the necessary quorum shall be two or more persons holding or representing not less than 75%, or at any adjourned meeting not less than 25%, in nominal amount of the Notes for the time being outstanding. Any Extraordinary Resolution duly passed shall be binding on Noteholders (whether or not they were present at the meeting at which such resolution was passed) and on all Couponholders and Receiptholders.

The Trust Deed provides that a resolution in writing signed by or on behalf of the holders of not less than 90% in nominal amount of the Notes outstanding shall for all purposes be as valid and effective as an Extraordinary Resolution passed at a meeting of Noteholders duly convened and held. Such a resolution in writing may be contained in one document or several documents in the same form, each signed by or on behalf of one or more Noteholders.

The consent or approval of the Noteholders shall not be required in the case of amendments to these Conditions pursuant to Condition 4(o) to vary the method or basis of calculating the rate or rates or amount of interest or the basis for calculating any Interest Amount in respect of the Notes or for any other variation of these Conditions and/or the Agency Agreement required to be made in the circumstances described in Condition 4(o), where the requirements of Condition 4(o) have been satisfied (including the provision of a certificate to the Trustee, where applicable).

*These Conditions may be amended, modified or varied in relation to any Series of Notes by the terms of the applicable Pricing Supplement in relation to such Series.*

- (b) **Modification of the Trust Deed and waiver:** The Trustee may agree, without the consent of the Noteholders, Receiptholders or Couponholders, to (i) any modification of any of the provisions of the Trust Deed which is, in its opinion, of a formal, minor or technical nature or is made to correct a manifest error or to comply with any mandatory provision of law, and (ii) any other modification (except as mentioned in the Trust Deed), and waive or authorize, on such terms as seem expedient to it, any breach or proposed breach, of any of the provisions of the Trust Deed that is in the opinion of the Trustee not materially prejudicial to the interests of the Noteholders. Notwithstanding any other provision of these Conditions or the Trust Deed, for Notes specified in the applicable Pricing Supplement as being Subordinated Notes, no modification to any Condition or any provision of the Trust Deed may be made without the prior approval of MAS where such modifications could impact the eligibility of the Subordinated Notes as Tier 2 Capital Securities. Any such modification, authorization or waiver shall be binding on the Noteholders, Receiptholders and the Couponholders and, if the Trustee so requires, such waiver or authorization shall be notified by the Issuer to the Noteholders as soon as practicable.
- (c) **Entitlement of the Trustee:** In connection with the exercise of its functions (including but not limited to those referred to in this Condition 11(c)) the Trustee shall have regard to the interests of the Noteholders, Receiptholders or Couponholders as a class and shall not have regard to the consequences of such exercise for individual Noteholders, Receiptholders or Couponholders and the Trustee shall not be entitled to require, nor shall any Noteholder, Receiptholders or Couponholder be entitled to claim, from the Issuer any indemnification or payment in respect of any tax consequence of any such exercise upon individual Noteholders, Receiptholders or Couponholders.
- (d) **Meetings of AMTN holders:** The Note (AMTN) Deed Poll contains provisions for convening meetings of holders of AMTNs to consider any matter affecting their interests.

## **12 Enforcement in respect of Senior Notes**

In the case of Senior Notes (that are not AMTNs), at any time after the Senior Notes become due and payable, the Trustee may, in its absolute discretion and without further notice, institute such proceedings against the Issuer as it may think fit to enforce the terms of the Trust Deed, the Senior Notes, the Receipts and the Coupons, but it need not take any such proceedings unless (a) it shall have been so directed by an Extraordinary Resolution or so requested in writing by Noteholders holding at least one-quarter in nominal amount of the Senior Notes outstanding, and (b) it shall have been indemnified and/or secured to its satisfaction. No Noteholder, Receiptholder or Couponholder in respect of Senior Notes (that are not AMTNs) may proceed directly against the Issuer unless the Trustee, having become bound so to proceed, fails to do so within a reasonable time and such failure is continuing, in which case such Noteholder, Receiptholder or Couponholder shall have only such rights against the Issuer as those which the Trustee is entitled to exercise. In the case of any AMTN, at any time after such AMTN becomes due and payable, the holder of such AMTN may at its discretion and without further notice, institute such proceedings against the Issuer as it may think fit to enforce the terms of the Note (AMTN) Deed Poll and such AMTN.

## **13 Indemnification of the Trustee**

The Trust Deed contains provisions for the indemnification of the Trustee and for its relief from responsibility. The Trustee is entitled to enter into business transactions with the Issuer and any entity related to the Issuer without accounting for any profit.

Each Noteholder, Receiptholder and Couponholder shall be solely responsible for making and continuing to make its own independent appraisal and investigation into the financial position, creditworthiness, condition, affairs, status and nature of the Issuer and the Trustee shall not at any time have any responsibility for the same and each Noteholder, Receiptholder or Couponholder shall not rely on the Trustee in respect thereof.

The Trustee may accept and rely without liability to Noteholders, Receiptholders or Couponholders on a report, confirmation or certificate or any advice of any accountants, financial advisors, financial institution or any other expert, whether or not addressed to it and whether their liability in relation thereto is limited (by its terms or by any engagement letter relating thereto entered into by the Trustee or in any other manner) by reference to a monetary cap, methodology or otherwise. Such report, confirmation or certificate or advice shall be binding on the Issuer, the Trustee, the Noteholders, Receiptholders and the Couponholders.

## **14 Replacement of Notes, Certificates, AMTN Certificates, Receipts, Coupons and Talons**

If a Note, Certificate, Receipt, Coupon or Talon is lost, stolen, mutilated, defaced or destroyed, it may be replaced, subject to applicable laws, regulations and stock exchange or other relevant authority regulations, at the specified office of the Issuing and Paying Agent (in the case of Bearer Notes, Receipts, Coupons or Talons) and of the Registrar (in the case of Certificates) or such other Paying Agent or Transfer Agent, as the case may be, as may from time to time be designated by the Issuer for the purpose and notice of whose designation is given to Noteholders, in each case on payment by the claimant of the fees and costs incurred in connection therewith and on such terms as to evidence, security and indemnity (which may provide, *inter alia*, that if the allegedly lost, stolen or destroyed Note, Certificate, Receipt, Coupon or Talon is subsequently presented for payment or, as the case may be, for exchange for further Coupons, there shall be paid to the Issuer on demand the amount payable by the Issuer in respect of such Notes, Certificates, Receipts, Coupons or Talons) and otherwise as the Issuer or such agent may require. Mutilated or defaced Notes, Certificates, Receipts, Coupons or Talons must be surrendered before replacements will be issued.

Should any AMTN Certificate be lost, stolen, mutilated, defaced or destroyed, upon written notice of such having been received by the Issuer and the Australian Agent:

- (a) that AMTN Certificate will be deemed to be cancelled without any further formality; and
- (b) the Issuer will, promptly and without charge, issue and deliver, and procure the authentication by the Australian Agent of, a new AMTN Certificate to represent the holding of the AMTNs that had been represented by the original AMTN Certificate.

## 15 Further Issues

The Issuer may from time to time without the consent of the Noteholders, Receiptholders or Couponholders create and issue further securities either having the same terms and conditions as the Notes in all respects (or in all respects except for the first payment of interest on them) and so that such further issue shall be consolidated and form a single Series with the outstanding securities of any Series (including the Notes) or upon such terms as the Issuer may determine at the time of their issue. References in these Conditions to the Notes include (unless the context requires otherwise) any other securities issued pursuant to this Condition 15 and forming a single Series with the Notes. Any further securities forming a single series with the outstanding securities of any Series (including the Notes) constituted by the Trust Deed or any deed supplemental to it shall, and any other securities may (with the consent of the Trustee), be constituted by the Trust Deed. The Trust Deed contains provisions for convening a single meeting of the Noteholders and the holders of securities of other Series where the Trustee so decides.

## 16 Notices

Notices to Noteholders will be valid if published in a daily newspaper of general circulation in Singapore (which is expected to be *The Business Times* but may be another leading daily English language newspaper with general circulation in Singapore) or for so long as the Notes are listed on the SGX-ST and the rules of the SGX-ST so require, on the website of the SGX-ST ([www.sgx.com](http://www.sgx.com)). Any such notice shall be deemed to have been given on the date of publication.

*So long as the Notes are represented by the Global Certificate and the Global Certificate is held on behalf of (i) DTC, Euroclear or Clearstream, the Alternative Clearing System (as defined in the form of the Global Certificate) or CDP, notices to Noteholders shall be given by delivery of the relevant notice to DTC, Euroclear or Clearstream, the Alternative Clearing System or (subject to the agreement of CDP) CDP for communication by it to entitled accountholders in substitution for notification as required by these Conditions or (ii) CMU, notices to the holders of Notes of that Series may be given by delivery of the relevant notice to the persons shown in a CMU Instrument Position Report issued by the Hong Kong Monetary Authority on the business day preceding the date of dispatch of such notice, in each case except that if the Notes are listed on the SGX-ST, and the rules of the SGX-ST so require, notice will in any event be published as provided above.*

A Trigger Event Notice or notice of the issue of a Bail-in Certificate to the holders of any Subordinated Notes shall be deemed to have been validly given on the date on which such notice is published in a daily newspaper of general circulation in Singapore (which is expected to be *The Business Times* but may be another leading daily English language newspaper with general circulation in Singapore) or so long as the Subordinated Notes are listed on the SGX-ST and the rules of the SGX-ST so require, published on the website of the SGX-ST ([www.sgx.com](http://www.sgx.com)). Any such notice shall be deemed to have been given on the date of such publication or, if published more than once or on different dates, on the first date on which publication is made, as provided above.

## 17 Contracts (Rights of Third Parties) Act

No person shall have any right to enforce any term or condition of the Notes under (i) if the Notes are specified in the applicable Pricing Supplement as being governed by English law, the Contracts (Rights of Third Parties) Act 1999 or (ii) if the Notes are specified in the applicable Pricing Supplement as being governed by Singapore law, Contracts (Rights of Third Parties) Act, Chapter 53B of Singapore.

## 18 Governing Law and Jurisdiction

Condition 18(a), Condition 18(b) and Condition 18(c) do not apply to AMTNs.

(a) **Governing Law:** The Trust Deed and, if the Notes are specified in the applicable Pricing Supplement as being governed by Singapore law, as supplemented by the Singapore Supplemental Trust Deed, the Notes, the Receipts, the Coupons and the Talons and any non-contractual obligations arising out of or in connection with them are governed by, and shall be construed in accordance with, English or Singapore law, as specified in the applicable Pricing Supplement, save that Condition 3(b), Condition 3(c), Condition 3(d), Condition 10(b)(ii) and Condition 10(b)(iii) for Notes specified in the applicable Pricing Supplement as Subordinated Notes are in all cases governed by, and shall be construed in accordance with, Singapore law.

(b) **Jurisdiction:**

(i) If the Notes are specified in the applicable Pricing Supplement as being governed by English law, the courts of England are to have jurisdiction to settle any disputes that may arise out of or in connection with any Notes, Receipts, Coupons or Talons, save that the courts of Singapore shall have exclusive jurisdiction to settle any disputes that may arise out of Conditions 3(b), 3(c), 3(d), 10(b)(ii) and/or 10(b)(iii), and accordingly any legal action or proceedings arising out of or in connection with any Notes, Receipts, Coupons or Talons (“**Proceedings**”) may be brought in such courts. For Notes for which English law is specified as the governing law in the applicable Pricing Supplement, insofar as the Proceedings do not arise out of or are in connection with Conditions 3(b), 3(c), 3(d), 10(b)(ii) and/or 10(b)(iii), the Issuer irrevocably submits to the jurisdiction of the courts of England and waives any objection to Proceedings in such courts on the ground of venue or on the ground that the Proceedings have been brought in an inconvenient forum. This submission is made for the benefit of each of the holders of the Notes, Receipts, Coupons and Talons and shall not affect the right of any of them to take Proceedings in any other court of competent jurisdiction nor shall the taking of Proceedings in one or more jurisdictions preclude the taking of Proceedings in any other jurisdiction (whether concurrently or not). Insofar as the Proceedings arise out of or are in connection with Conditions 3(b), 3(c), 3(d), 10(b)(ii) and/or 10(b)(iii), all parties irrevocably submit to the exclusive jurisdiction of the courts of Singapore and waive any objection to Proceedings in such courts on the ground of venue or on the ground that the Proceedings have been brought in an inconvenient forum.

(ii) If the Subordinated Notes are specified in the applicable Pricing Supplement as being governed by Singapore law, the courts of Singapore are to have exclusive jurisdiction to settle any disputes that may arise out of or in connection with any Subordinated Notes and accordingly any Proceedings shall be brought in such courts. For Subordinated Notes for which Singapore law is specified as the governing law in the applicable Pricing Supplement, all parties irrevocably submit to the exclusive jurisdiction of the courts of Singapore and waive any objection to Proceedings in such courts on the ground of venue or on the ground that the Proceedings have been brought in an inconvenient forum.

(c) **Service of Process:** For Notes for which English law is specified as the governing law in the applicable Pricing Supplement, the Issuer has in the Trust Deed agreed that its branch in England shall accept service of process on its behalf in respect of any Proceedings in England. If such branch ceases to be able to accept service of process in England, the Issuer shall immediately appoint a new agent to accept such service of process in England.

(d) **AMTNs:**

*This Condition 18(d) shall only apply to AMTNs.*

(i) The AMTNs, the Australian Agency Agreement and the Note (AMTN) Deed Poll shall be governed by the laws in force in New South Wales, Australia.

(ii) The courts of New South Wales, Australia and the courts of appeal from them are to have non-exclusive jurisdiction to settle any disputes which may arise out of or in connection with them and any suit, action or proceedings arising out of or in connection with the AMTNs, the Australian Agency Agreement and the Note (AMTN) Deed Poll (together referred to as “**Australian Proceedings**”) may be brought in such courts.

(iii) For so long as any AMTNs are outstanding, the Issuer agrees that its Sydney branch in Australia shall accept service of process on its behalf in New South Wales, Australia in respect of any Australian Proceedings. In the event there is no such branch, the Issuer shall immediately appoint another agent to accept such service of process in Sydney.

## TERMS AND CONDITIONS OF THE PERPETUAL CAPITAL SECURITIES

*The following is the text of the terms and conditions that, save for the words in italics and, subject to completion and amendment and as supplemented or varied in accordance with the provisions of the applicable Pricing Supplement, shall be applicable to the Perpetual Capital Securities (as defined in the Trust Deed referred to below) in definitive form (if any) issued in exchange for the Global Certificate(s) representing each Series. These terms and conditions, together with the relevant provisions of the applicable Pricing Supplement, as so completed, amended, supplemented or varied (and subject to simplification by the deletion of non-applicable provisions), shall be endorsed on the Certificates relating to such Perpetual Capital Securities. All capitalized terms that are not defined in these Conditions will have the meanings given to them in the applicable Pricing Supplement or the Trust Deed, as the case may be. Those definitions will be endorsed on the Certificates. References in these Conditions to “**Perpetual Capital Securities**” are to the Perpetual Capital Securities of one Series only, not to all Perpetual Capital Securities that may be issued under the Program.*

The Perpetual Capital Securities are constituted by an amended and restated trust deed (as amended or supplemented as at the date of issue of the Perpetual Capital Securities (the “**Issue Date**”) dated August 31, 2020 (the “**Trust Deed**”) between Oversea-Chinese Banking Corporation Limited (“**OCBC**” or the “**Issuer**”) and The Bank of New York Mellon, London Branch (the “**Trustee**”, which expression shall include all persons for the time being the trustee or trustees under the Trust Deed) as trustee for the Securityholders (as defined below) and, if the Perpetual Capital Securities are specified in the applicable Pricing Supplement as being governed by Singapore law, as supplemented by the Singapore supplemental trust deed (as amended or supplemented as at the Issue Date) dated August 31, 2020 between OCBC and the Trustee (the “**Singapore Supplemental Trust Deed**”), and where applicable, the Perpetual Capital Securities which are specified in the applicable Pricing Supplement to be held in and cleared through The Central Depository (Pte) Limited (“**CDP**”) are issued with the benefit of a deed of covenant dated August 31, 2012, as supplemented on March 9, 2018, relating to the Perpetual Capital Securities executed by OCBC (and as further amended, varied or supplemented from time to time, the “**CDP Deed of Covenant**”).

These terms and conditions (the “**Conditions**”) include summaries of, and are subject to, the detailed provisions of the Trust Deed, which includes the form of the Certificates referred to below. OCBC, the Trustee, The Bank of New York Mellon, London Branch, as initial issuing and paying agent in relation to each Series of Perpetual Capital Securities or any Series of Perpetual Capital Securities to be held through CDP, in the Central Moneymarkets Unit Service operated by the Hong Kong Monetary Authority (the “**CMU**”) or through The Depository Trust Company (“**DTC**”), The Bank of New York Mellon, Hong Kong Branch as initial CMU lodging and paying agent in relation to each Series of Perpetual Capital Securities to be held in CMU, The Bank of New York Mellon, Singapore Branch as initial CDP paying agent in relation to each Series of Perpetual Capital Securities to be held in CDP, The Bank of New York Mellon, as issuing and paying agent, exchange agent and transfer agent and registrar in respect of each Series of Perpetual Capital Securities to be cleared through DTC and the other agents named therein have entered into an amended and restated agency agreement (as amended or supplemented as at the Issue Date, the “**Agency Agreement**”) dated August 31, 2020 in relation to the Perpetual Capital Securities and, if the Perpetual Capital Securities are specified in the applicable Pricing Supplement as being governed by Singapore law, as supplemented by the Singapore supplemental agency agreement (as amended and supplemented as at the Issue Date) dated August 31, 2020 between the Issuer, the CDP paying agent and the other agents named therein (the “**Singapore Supplemental Agency Agreement**”). The issuing and paying agent, the CMU lodging and paying agent, the CDP paying agent, the U.S. paying agent, the exchange agent, the other paying agents, the registrar, the transfer agents and the calculation agent(s) for the time being (if any) are referred to below respectively as the “**Issuing and Paying Agent**”, the “**CMU Lodging and Paying Agent**”, the “**CDP Paying Agent**”, the “**U.S. Paying Agent**”, the “**Exchange Agent**”, the “**Paying Agents**”

(which expression shall include the Issuing and Paying Agent, the CMU Lodging and Paying Agent, the CDP Paying Agent and the U.S. Paying Agent), the “**Registrar**”, the “**Transfer Agents**” (which expression shall include the Registrar) and the “**Calculation Agent(s)**”. For the purposes of these Conditions, all references (other than in relation to the determination of Distribution (as defined herein) and other amounts payable in respect of the Perpetual Capital Securities) to the Issuing and Paying Agent shall (i) with respect to a Series of Perpetual Capital Securities to be held in CMU, be deemed to be a reference to the CMU Lodging and Paying Agent, (ii) with respect to a Series of Perpetual Capital Securities to be held in CDP, be deemed to be a reference to the CDP Paying Agent and (iii) with respect to a Series of Perpetual Capital Securities to be held in DTC, be deemed to be a reference to the U.S. Paying Agent and all such references shall be construed accordingly. Copies of the Trust Deed, the Singapore Supplemental Trust Deed, the Agency Agreement, the Singapore Supplemental Agency Agreement and the CDP Deed of Covenant referred to above are available for inspection free of charge during usual business hours at the principal office of the Trustee (presently at One Canada Square, London, E14 5AL, United Kingdom) and at the specified offices of the Paying Agents and the Transfer Agents.

The Securityholders are entitled to the benefit of, are bound by, and are deemed to have notice of, these Conditions, all the provisions of the Trust Deed and the applicable Pricing Supplement, and, in the case of Perpetual Capital Securities specified in the applicable Pricing Supplement as being governed by Singapore law, the Singapore Supplemental Trust Deed, and are deemed to have notice of those provisions applicable to them of the Agency Agreement or the Singapore Supplemental Agency Agreement, as the case may be. The Pricing Supplement for any Perpetual Capital Securities (or the relevant provisions thereof) shall be attached to or endorsed on such Perpetual Capital Securities. References to “**applicable Pricing Supplement**” are to the Pricing Supplement (or relevant provisions thereof) attached to or endorsed on the relevant Perpetual Capital Securities.

As used in these Conditions, “**Tranche**” means Perpetual Capital Securities which are identical in all respects, “**Series**” means a series of Perpetual Capital Securities comprising one or more Tranches, whether or not issued on the same date, that (except in respect of the first payment of Distribution and their issue price) have identical terms on issue and are expressed to have the same Series Number specified in the applicable Pricing Supplement and “**subsidiary**” has the meaning given to this term under the Companies Act, Chapter 50 of Singapore.

## **1 Form, Denomination and Title**

The Perpetual Capital Securities are issued in registered form only, in each case in the Specified Currency and Specified Denomination(s) shown in the applicable Pricing Supplement.

*All Perpetual Capital Securities shall have the same Specified Denomination. Unless otherwise permitted by the then current laws and regulations, Perpetual Capital Securities which have a maturity of less than one year and in respect of which the issue proceeds are to be accepted by the Issuer in the United Kingdom or whose issue otherwise constitutes a contravention of section 19 of the Financial Services and Markets Act 2000 will have a minimum denomination of £100,000 (or its equivalent in other currencies). Perpetual Capital Securities sold in reliance on Rule 144A will be in minimum denominations of U.S.\$200,000 (or its equivalent in other currencies) and integral multiples of U.S.\$1,000 (or its equivalent in other currencies) in excess thereof, subject to compliance with all legal and/or regulatory requirements applicable to the relevant currency. Perpetual Capital Securities which are listed on the Singapore Exchange Securities Trading Limited (the “**SGX-ST**”) will be traded on the SGX-ST in a minimum board lot size of S\$200,000 (or its equivalent in other currencies) or such other amount as may be allowed or required from time to time. In the case of any Perpetual Capital Securities which are to be admitted to trading on a regulated market within the European Economic Area or in the United Kingdom or offered to the public*

*in a Member State of the European Economic Area or in the United Kingdom in circumstances which require the publication of a prospectus under Regulation (EU) 2017/1129 (as amended or superseded), the minimum Specified Denomination shall be €100,000 (or its equivalent in any other currency as at the date of issue of the relevant Perpetual Capital Securities).*

Each Perpetual Capital Security may be a Fixed Rate Perpetual Capital Security or a Floating Rate Perpetual Capital Security, a combination of any of the foregoing or any other kind of Perpetual Capital Security, depending upon the Distribution and Redemption/ Payment Basis specified in the applicable Pricing Supplement.

Perpetual Capital Securities are represented by registered certificates ("**Certificates**") and, save as provided in Condition 2(c), each Certificate shall represent the entire holding of Perpetual Capital Securities by the same holder.

Title to the Perpetual Capital Securities shall pass by registration in the register that the Issuer shall procure to be kept by the Registrar in accordance with the provisions of the Agency Agreement (the "**Register**"). Except as ordered by a court of competent jurisdiction or as required by law, the holder (as defined below) of any Perpetual Capital Security shall be deemed to be and may be treated as its absolute owner for all purposes whether or not it is overdue and regardless of any notice of ownership, trust or an interest in it, any writing on it (or on the Certificate representing it) or its theft or loss (or that of the related Certificate) and no person shall be liable for so treating the holder.

In these Conditions, "**Securityholder**" means the person in whose name a Perpetual Capital Security is registered (as the case may be), "**holder**" (in relation to a Perpetual Capital Security) means the person in whose name a Perpetual Capital Security is registered (as the case may be) and capitalized terms have the meanings given to them in the applicable Pricing Supplement, the absence of any such meaning indicating that such term is not applicable to the Perpetual Capital Securities.

*For so long as any of the Perpetual Capital Securities is represented by a Global Certificate held on behalf of Euroclear Bank SA/NV ("**Euroclear**") and/or Clearstream Banking S.A. ("**Clearstream**"), each person (other than Euroclear or Clearstream) who is for the time being shown in the records of Euroclear and/or Clearstream as the holder of a particular nominal amount of such Perpetual Capital Securities (in which regard any certificate or other document issued by Euroclear and/or Clearstream as to the nominal amount of such Perpetual Capital Securities standing to the account of any person shall be conclusive and binding for all purposes save in the case of manifest error) shall be treated by the Issuer, the Trustee and the Agents as the holder of such nominal amount of such Perpetual Capital Securities for all purposes other than with respect to the payment of principal or Distribution on such nominal amount of such Perpetual Capital Securities, for which purpose the registered holder of the relevant Global Certificate shall be treated by the Issuer, the Trustee and any Agent as the holder of such nominal amount of such Perpetual Capital Securities in accordance with and subject to the terms of the relevant Global Certificate and the expressions "**Securityholder**" and "**holder of Securities**" and related expressions shall be construed accordingly.*

*For so long as DTC or its nominee is the registered owner or holder of a Global Certificate, DTC or such nominee, as the case may be, will be considered the sole owner or holder of the Perpetual Capital Securities represented by such Global Certificate for all purposes under the Trust Deed and the Agency Agreement and those Perpetual Capital Securities except to the extent that in accordance with DTC's published rules and procedures any ownership rights may be exercised by its participants or beneficial owners through participants.*



## 2 Transfers of Perpetual Capital Securities

- (a) **Transfer of Perpetual Capital Securities:** Subject to Condition 2(e), one or more Perpetual Capital Securities may be transferred upon the surrender (at the specified office of the Registrar or any Transfer Agent) of the Certificate representing such Perpetual Capital Securities to be transferred, together with the form of transfer endorsed on such Certificate, (or another form of transfer substantially in the same form and containing the same representations and certifications (if any), unless otherwise agreed by the Issuer), duly completed and executed and any other evidence as the Registrar or Transfer Agent may require without service charge and subject to payment of any taxes, duties and other governmental charges in respect of such transfer. In the case of a transfer of part only of a holding of Perpetual Capital Securities represented by one Certificate, a new Certificate shall be issued to the transferee in respect of the part transferred and a further new Certificate in respect of the balance of the holding not transferred shall be issued to the transferor. All transfers of Perpetual Capital Securities and entries on the Register will be made subject to the detailed regulations concerning transfers of Perpetual Capital Securities scheduled to the Agency Agreement. The regulations may be changed by the Issuer, with the prior written approval of the Registrar and the Trustee. A copy of the current regulations will be made available by the Registrar to any Securityholder upon request.

*Any transfer of interests in the Perpetual Capital Securities evidenced by a Global Certificate will be effected in accordance with the rules of the relevant clearing systems. Transfers of a Global Certificate registered in the name of a nominee for DTC shall be limited to transfers of such Global Certificate, in whole but not in part, to another nominee of DTC or to a successor of DTC or such successor's nominee.*

*Any transfer of interests in any Perpetual Capital Securities that are the subject of a Trigger Event Notice issued in accordance with Condition 7 or notice of issue of a Bail-in Certificate shall not be permitted during any Suspension Period (as defined below).*

- (b) **Exercise of Options or Partial Redemption, Write-off or Conversion in Respect of Perpetual Capital Securities:** In the case of an exercise of the Issuer's option in respect of, or a partial redemption or (as the case may be) a partial Write-off (as defined in Condition 7(b)) or conversion (if specified and as described in the applicable Pricing Supplement) of, a holding of Perpetual Capital Securities represented by a single Certificate, a new Certificate shall be issued to the holder to reflect the exercise of such option or in respect of the balance of the holding not redeemed, Written-off (as defined below) or converted. In the case of a partial exercise of an option resulting in Perpetual Capital Securities of the same holding having different terms, separate Certificates shall be issued in respect of those Perpetual Capital Securities of that holding that have the same terms. New Certificates shall only be issued against surrender of the existing Certificates to the Registrar or any other Transfer Agent. In the case of a transfer of Perpetual Capital Securities to a person who is already a holder of Perpetual Capital Securities, a new Certificate representing the enlarged holding shall only be issued against surrender of the Certificate representing the existing holding.
- (c) **Delivery of New Certificates:** Each new Certificate to be issued pursuant to Condition 2(a) or Condition 2(b) shall be available for delivery within five business days of receipt of the request for transfer, exercise, redemption or exchange, form of transfer and surrender of the Certificate for transfer, exercise or redemption, except for any Write-off pursuant to Condition 7(b) or conversion (if specified and as described in the applicable Pricing Supplement) in which case any new Certificate to be issued shall be available for delivery as soon as reasonably practicable. Delivery of the new Certificate(s) shall be made at the specified office of the Transfer Agent or of the Registrar (as the case

may be) to whom delivery or surrender of such request for transfer, exercise, redemption or exchange, form of transfer and/or Certificate shall have been made or, at the option of the holder making such delivery or surrender as aforesaid and as specified in the relevant form of transfer or otherwise in writing, be mailed by uninsured post at the risk of the holder entitled to the new Certificate to such address as may be so specified, unless such holder requests otherwise and pays in advance to the relevant Transfer Agent the costs of such other method of delivery and/or such insurance as it may specify. In this Condition 2(c), “**business day**” means a day, other than a Saturday or Sunday, on which banks are open for business in the place of the specified office of the relevant Transfer Agent or the Registrar (as the case may be).

- (d) **Transfers Free of Charge:** Transfers of Perpetual Capital Securities and Certificates on registration, transfer, exercise of an option or partial redemption, Write-off or conversion (if and as specified in the applicable Pricing Supplement) shall be effected without charge by or on behalf of the Issuer, the Registrar or the Transfer Agents, but upon payment by the relevant Securityholder of any tax or other governmental charges that may be imposed in relation to it (or the giving of such indemnity as the Registrar or the relevant Transfer Agent may require).
- (e) **Closed Periods:** No Securityholder may require the transfer of a Perpetual Capital Security to be registered (i) during the period of 15 days ending on the due date for redemption of that Perpetual Capital Security, (ii) during the period of 15 days before to any date on which Perpetual Capital Securities may be called for redemption by the Issuer at its option pursuant to Condition 6(d), (iii) after any such Perpetual Capital Security has been called for redemption, (iv) during the period of seven days ending on (and including) any Record Date, or (v) during a Suspension Period.

In these Conditions, “**Suspension Period**” means the period commencing on the business day in Singapore immediately following the date of a Trigger Event Notice (as defined in Condition 7(e)) or notice of issue of a Bail-in Certificate, as the case may be, and ending on the earlier of the close of business in Singapore on:

- (i) the date on which the Registrar or any other Agent has (A) reflected the relevant Write-off or conversion (if and as specified in the applicable Pricing Supplement) in the Register or (B) issued a new Certificate (as the case may be) to such Securityholder in respect of the related Write-off or conversion (if and as specified in the applicable Pricing Supplement); and
- (ii) on the tenth business day in Singapore immediately following the date of any such notice, or

in the event that a Bail-in Certificate has been issued, when the Bail-in Certificate has been effected.

In relation to any Suspension Period, “**business day**” means a day, other than a Saturday or Sunday, on which banks are open for business in the place of the specified office of the relevant Transfer Agent or the Registrar (as the case may be).

### 3 Status

- (a) **Status of Perpetual Capital Securities:** The Perpetual Capital Securities constitute direct, unsecured and subordinated obligations of the Issuer and rank *pari passu* and without any preference among themselves. The rights and claims of the Securityholders are subordinated as described below.
- (b) **Subordination:** Upon the occurrence of any winding-up proceeding (other than pursuant to a Permitted Reorganisation (as defined below)), the rights of the Securityholders to the payment of the principal of and Distributions on the Perpetual Capital Securities and any other obligations in respect of the Perpetual Capital Securities are expressly subordinated and subject in right of payment to the prior payment in full of all claims of Senior Creditors, and will rank senior to Junior Obligations. The Perpetual Capital Securities will rank *pari passu* with Additional Tier 1 Capital Securities and/or as otherwise specified in the applicable Pricing Supplement or in a supplement to the Offering Memorandum and any instrument or security issued, entered into or guaranteed by the Issuer that ranks or is expressed to rank, by its terms or operation of law, *pari passu* with a Perpetual Capital Security. In the event that (i) the Securityholders do not receive payment in full of the principal amount due and payable in respect of the Perpetual Capital Securities plus Distributions thereon accrued to the date of repayment in any winding-up of the Issuer and (ii) the winding-up order or resolution passed for the winding-up of the Issuer or the dissolution of the Issuer is subsequently stayed, discharged, rescinded, avoided, annulled or otherwise rendered inoperative, then to the extent that such Securityholders did not receive payment in full of such principal of and Distributions on such Perpetual Capital Securities, such unpaid amounts shall remain payable in full; *provided that* payment of such unpaid amounts shall be subject to the provisions under this Condition 3 and Condition 11 and Clause 6 and Clause 8.3 of the Trust Deed.

The Issuer has agreed, pursuant to the terms of the Trust Deed, to indemnify the Securityholders against any loss incurred as a result of any judgment or order being given or made for any amount due under the Perpetual Capital Securities and such judgment or order being expressed and paid in a currency other than the Specified Currency. Any amounts due under such indemnification will be similarly subordinated in right of payment with other amounts due on the Perpetual Capital Securities and payment thereof shall be subject to the provisions under this Condition 3 and Condition 11(b) and Clause 8.3 of the Trust Deed.

*On a winding-up of the Issuer, there may be no surplus assets available to meet the claims of the Securityholders after the claims of the parties ranking senior to the Securityholders (as provided in this Condition 3 and Clause 6 of the Trust Deed) have been satisfied.*

*The subordination provisions set out in this Condition 3(b) are effective only upon the occurrence of any winding-up proceedings of the Issuer. In the event that a Trigger Event occurs, the rights of holders of Perpetual Capital Securities shall be subject to Condition 7. This may not result in the same outcome for Securityholders as would otherwise occur under this Condition 3(b) upon the occurrence of any winding-up proceedings.*

In these Conditions:

**“Additional Tier 1 Capital Securities”** means (i) any security issued by the Issuer or (ii) any other similar instrument issued by any subsidiary of the Issuer that is guaranteed by the Issuer, that, in each case, constitutes Additional Tier 1 capital of the Issuer on an unconsolidated basis, pursuant to the relevant requirements set out in MAS Notice 637.

**“Issuer Shares”** means the ordinary shares of the Issuer.

**“Junior Obligations”** means (i) any Issuer Share and (ii) any class of the Issuer’ share capital and any instrument or security (including without limitation any preference shares) issued, entered into or guaranteed by the Issuer which ranks or is expressed to rank, by its terms or by operation of law, junior to a Perpetual Capital Security.

**“MAS”** means the Monetary Authority of Singapore or such other governmental authority having primary bank supervisory authority with respect to the Issuer.

**“MAS Notice 637”** means the MAS Notice 637 – “Notice on Risk Based Capital Adequacy Requirements for Banks Incorporated in Singapore” issued by MAS, as amended, replaced or supplemented from time to time.

**“Offering Memorandum”** means the offering memorandum dated August 31, 2020 relating to, *inter alia*, the Perpetual Capital Securities (which term shall include those documents incorporated in it by reference from time to time as provided in it) as from time to time amended, supplemented or replaced (but not including any information or documents replaced or superseded by any information so subsequently included or incorporated).

**“Permitted Reorganisation”** means a solvent reconstruction, amalgamation, reorganisation, merger or consolidation whereby all or substantially all the business, undertaking and assets of the Issuer are transferred to a successor entity which assumes all the obligations of the Issuer under the Perpetual Capital Securities.

**“Senior Creditors”** means creditors of the Issuer (including the Issuer’s depositors and the holders of Tier 2 Capital Securities) other than those whose claims rank or are expressed to rank *pari passu* with or junior to the claims of the holders of the Perpetual Capital Securities.

**“Tier 2 Capital Securities”** means (i) any security issued by the Issuer or (ii) any other similar instrument issued by any subsidiary of the Issuer that is guaranteed by the Issuer that, in each case, constitutes a Tier 2 capital instrument of the Issuer on an unconsolidated basis, pursuant to the relevant requirements set out in MAS Notice 637.

- (c) **Set-off and Payment Void:** No Securityholder may exercise, claim or plead any right of set-off, counterclaim or retention in respect of any amount owed to it by the Issuer arising under or in connection with the Perpetual Capital Securities. Each Securityholder shall, by acceptance of any Perpetual Capital Security, be deemed to have waived all such rights of set-off, counterclaim or retention to the fullest extent permitted by law. If at any time any Securityholder receives payment or benefit of any sum in respect of the Perpetual Capital Securities (including any benefit received pursuant to any such set-off, counter-claim or retention) other than in accordance with the provisions in the second paragraph of Condition 11(b) and Clause 8.3.2 of the Trust Deed, the payment of such sum or receipt of such benefit shall, to the fullest extent permitted by law, be deemed void for all purposes and such Securityholder, by acceptance of such Perpetual Capital Security, shall agree as a separate and

independent obligation that any such sum or benefit so received shall forthwith be paid or returned in full by such Securityholder to the Issuer upon demand by the Issuer or, in the event of the winding-up of the Issuer, the liquidator of the Issuer, whether or not such payment or receipt shall have been deemed void under the Trust Deed. Any sum so paid or returned shall then be treated for the purposes of the Issuer's obligations as if it had not been paid by the Issuer, and its original payment shall be deemed not to have discharged any of the obligations of the Issuer under the Perpetual Capital Securities.

#### 4 Distributions and other Calculations

- (a) **Distribution on Fixed Rate Perpetual Capital Securities:** Subject to Condition 5, each Fixed Rate Perpetual Capital Security confers a right to receive distribution (each, a "**Distribution**") on its outstanding nominal amount from and including the Distribution Commencement Date at the rate per annum (expressed as a percentage) equal to the Rate of Distribution, such Distribution being payable in arrear on each Distribution Payment Date.

The Rate of Distribution in respect of a Fixed Rate Security shall be:

- (i) (if no Reset Date is specified in the applicable Pricing Supplement) the Initial Distribution Rate; or
- (ii) (if a Reset Date is specified in the applicable Pricing Supplement):
  - (A) for the period from, and including, the Distribution Commencement Date to the First Reset Date specified in the applicable Pricing Supplement, the Initial Distribution Rate; and
  - (B) for the period from, and including, the First Reset Date and each Reset Date (as specified in the applicable Pricing Supplement) falling thereafter to, but excluding, the immediately following Reset Date, the Reset Distribution Rate.

The amount of Distribution payable shall be determined in accordance with Condition 4(e).

For the purposes of this Condition 4(a), "**Reset Distribution Rate**" means the Relevant Rate with respect to the relevant Reset Date plus the Initial Spread.

- (b) **Distribution on Floating Rate Perpetual Capital Securities (for non-Singapore Dollar Perpetual Capital Securities):**
- (i) *Distribution Payment Dates:* Subject to Condition 5, each Floating Rate Perpetual Capital Security confers a right to receive distribution (each, a "**Distribution**") on its outstanding nominal amount from and including the Distribution Commencement Date at the rate per annum (expressed as a percentage) equal to the Rate of Distribution, such Distribution being payable in arrear on each Distribution Payment Date. The amount of Distribution payable shall be determined in accordance with Condition 4(e). Such Distribution Payment Date(s) is/are either shown in the applicable Pricing Supplement as Specified Distribution Payment Dates or, if no Specified Distribution Payment Date(s) is/are shown in the applicable Pricing Supplement, Distribution Payment Date shall mean each date which falls the number of months or other period shown in the applicable Pricing Supplement as the Distribution Period after the preceding Distribution Payment Date or, in the case of the first Distribution Payment Date, after the Distribution Commencement Date.

In this Condition 4(b), Floating Rate Perpetual Capital Security shall refer to a Floating Rate Perpetual Capital Security which is denominated in a currency other than Singapore dollars.

- (ii) *Business Day Convention*: If any date referred to in these Conditions that is specified to be subject to adjustment in accordance with a Business Day Convention would otherwise fall on a day that is not a Business Day (as defined in Condition 4(i)), then, if the Business Day Convention specified in the applicable Pricing Supplement is (A) the Floating Rate Business Day Convention, such date shall be postponed to the next day that is a Business Day unless it would thereby fall into the next calendar month, in which event (x) such date shall be brought forward to the immediately preceding Business Day and (y) each subsequent such date shall be the last Business Day of the month in which such date would have fallen had it not been subject to adjustment, (B) the Following Business Day Convention, such date shall be postponed to the next day that is a Business Day, (C) the Modified Following Business Day Convention, such date shall be postponed to the next day that is a Business Day unless it would thereby fall into the next calendar month, in which event such date shall be brought forward to the immediately preceding Business Day or (D) the Preceding Business Day Convention, such date shall be brought forward to the immediately preceding Business Day.
- (iii) *Rate of Distribution for Floating Rate Perpetual Capital Securities*: The Rate of Distribution in respect of Floating Rate Perpetual Capital Securities for each Distribution Accrual Period shall be determined in the manner specified in the applicable Pricing Supplement and the provisions below relating to either ISDA Determination or Screen Rate Determination shall apply, depending upon which is specified in the applicable Pricing Supplement.

(A) ISDA Determination for Floating Rate Perpetual Capital Securities

Where ISDA Determination is specified in the applicable Pricing Supplement as the manner in which the Rate of Distribution is to be determined, the Rate of Distribution for each Distribution Accrual Period shall be determined by the Calculation Agent as a rate equal to the relevant ISDA Rate. For the purposes of this Condition 4(b)(iii)(A), “**ISDA Rate**” for a Distribution Accrual Period means a rate equal to the Floating Rate that would be determined by the Calculation Agent under a Swap Transaction under the terms of an agreement incorporating the ISDA Definitions and under which:

- (x) the Floating Rate Option is as specified in the applicable Pricing Supplement;
- (y) the Designated Maturity is a period specified in the applicable Pricing Supplement; and
- (z) the relevant Reset Date is the first day of that Distribution Accrual Period unless otherwise specified in the applicable Pricing Supplement.

For the purposes of this Condition 4(b)(iii)(A), “**Floating Rate**”, “**Calculation Agent**”, “**Floating Rate Option**”, “**Designated Maturity**”, “**Reset Date**” and “**Swap Transaction**” have the meanings given to those terms in the ISDA Definitions.

(B) Screen Rate Determination for Floating Rate Perpetual Capital Securities where the Reference Rate is not specified as being SIBOR, SOR, Compounded Daily SONIA or Compounded Daily SORA

(x) Where Screen Rate Determination is specified in the applicable Pricing Supplement as the manner in which the Rate of Distribution is to be determined, the Rate of Distribution for each Distribution Accrual Period will, subject as provided below, be either:

(1) the offered quotation; or

(2) the arithmetic mean of the offered quotations,

(expressed as a percentage rate per annum) for the Reference Rate which appears or appear, as the case may be, on the Relevant Screen Page as at either 11.00 a.m. (London time in the case of the London Interbank Offered Rate (“**LIBOR**”) or Brussels time in the case of the Euro Interbank Offered Rate (“**EURIBOR**”) or Hong Kong time in the case of the Hong Kong Interbank Offered Rate (“**HIBOR**”)) on the Distribution Determination Date in question as determined by the Calculation Agent. If five or more of such offered quotations are available on the Relevant Screen Page, the highest (or, if there is more than one such highest quotation, one only of such quotations) and the lowest (or, if there is more than one such lowest quotation, one only of such quotations) shall be disregarded by the Calculation Agent for the purpose of determining the arithmetic mean of such offered quotations.

If the Reference Rate from time to time in respect of Floating Rate Perpetual Capital Securities is specified in the applicable Pricing Supplement as being other than LIBOR, EURIBOR or HIBOR, the Rate of Distribution in respect of such Perpetual Capital Securities will be determined as provided in the applicable Pricing Supplement;

(y) If the Relevant Screen Page is not available or if, Condition 4(b)(iii)(B)(x)(1) applies and no such offered quotation appears on the Relevant Screen Page or if Condition 4(b)(iii)(B)(x)(2) applies and fewer than three such offered quotations appear on the Relevant Screen Page in each case as at the time specified above, subject as provided below, the Issuer shall request, if the Reference Rate is LIBOR, the principal London office of each of the Reference Banks or, if the Reference Rate is EURIBOR, the principal Euro-zone office of each of the Reference Banks or, if the Reference Rate is HIBOR, the principal Hong Kong office of each of the Reference Banks, to provide the Calculation Agent with its offered quotation (expressed as a percentage rate per annum) for the Reference Rate if the Reference Rate is LIBOR, at approximately 11.00 a.m. (London time) or, if the Reference Rate is EURIBOR, at approximately 11.00 a.m. (Brussels time) or, if the Reference Rate is HIBOR, at approximately 11.00 a.m. (Hong Kong time) on the Distribution Determination Date in question and such rate shall be notified to the Calculation Agent. If two or more of the Reference Banks provide the Issuer with such offered quotations, the Rate of Distribution for such Distribution Accrual Period shall be the arithmetic mean of such offered quotations as determined by the Calculation Agent; and

(z) If Condition 4(b)(iii)(B)(y) applies and the Issuer determines that fewer than two Reference Banks are providing offered quotations, subject as provided below, the Rate of Distribution shall be the arithmetic mean of the rates per annum (expressed as a percentage) as communicated to (and at the request of) the Issuer by the Reference Banks or any two or more of them, at which such banks were offered, if the Reference Rate is LIBOR, at approximately 11.00 a.m. (London time) or, if the Reference Rate is EURIBOR, at approximately 11.00 a.m. (Brussels time) or, if the Reference Rate is HIBOR, at approximately 11.00 a.m. (Hong Kong time) on the relevant Distribution Determination Date, deposits in the Specified Currency for a period equal to that which would have been used for the Reference Rate by leading banks in, if the Reference Rate is LIBOR, the London inter-bank market or, if the Reference Rate is EURIBOR, the Euro-zone inter-bank market or, if the Reference Rate is HIBOR, the Hong Kong inter-bank market, as the case may be, or, if fewer than two of the Reference Banks provide the Issuer with such offered rates, the offered rate for deposits in the Specified Currency for a period equal to that which would have been used for the Reference Rate, or the arithmetic mean of the offered rates for deposits in the Specified Currency for a period equal to that which would have been used for the Reference Rate, at which, if the Reference Rate is LIBOR, at approximately 11.00 a.m. (London time) or, if the Reference Rate is EURIBOR, at approximately 11.00 a.m. (Brussels time) or, if the Reference Rate is HIBOR, at approximately 11.00 a.m. (Hong Kong time), on the relevant Distribution Determination Date, any one or more banks (which bank or banks is or are in the opinion of the Issuer suitable for such purpose) informs the Calculation Agent it is quoting to leading banks in, if the Reference Rate is LIBOR, the London inter-bank market or, if the Reference Rate is EURIBOR, the Euro-zone inter-bank market or, if the Reference Rate is HIBOR, the Hong Kong inter-bank market, as the case may be, *provided that*, if the Rate of Distribution cannot be determined in accordance with the foregoing provisions of this Condition 4(b)(iii)(B)(z), the Rate of Distribution shall be determined as at the last preceding Distribution Determination Date (though substituting, where a different Margin or Maximum or Minimum Rate of Distribution is to be applied to the relevant Distribution Accrual Period from that which applied to the last preceding Distribution Accrual Period, the Margin or Maximum or Minimum Rate of Distribution relating to the relevant Distribution Accrual Period, in place of the Margin or Maximum or Minimum Rate of Distribution relating to that last preceding Distribution Accrual Period).

(C) Screen Rate Determination for Floating Rate Perpetual Capital Securities where the Reference Rate is specified as being Compounded Daily SONIA

(x) For each Perpetual Capital Security where the Reference Rate is specified as being Compounded Daily SONIA, the Rate of Distribution for each Distribution Accrual Period will, subject as provided below, be Compounded Daily SONIA plus or minus (as indicated in the applicable Pricing Supplement) the Margin.

**“Compounded Daily SONIA”** means, with respect to an Distribution Accrual Period, the rate of return of a daily compound interest investment during the Observation Period corresponding to such Distribution Accrual Period (with the daily Sterling Overnight Index



Average rate as reference rate for the calculation of interest) and will be calculated by the Calculation Agent (or such other party responsible for the calculation of the Rate of Distribution, as specified in the applicable Pricing Supplement) on the Distribution Determination Date, as follows, and the resulting percentage will be rounded if necessary to the fifth decimal place, with 0.000005 being rounded upwards:

$$\left[ \prod_{i=1}^{d_o} \left( 1 + \frac{\text{SONIA}_{i-x\text{LBD}} \times n_i}{365} \right) - 1 \right] \times \frac{365}{d}$$

where:

“**d**” means, for the relevant Distribution Accrual Period, the number of calendar days in such Distribution Accrual Period;

“**d<sub>o</sub>**” means, for the relevant Distribution Accrual Period, the number of London Business Days in such Distribution Accrual Period;

“**i**” means, for the relevant Distribution Accrual Period, a series of whole numbers from one to **d<sub>o</sub>**, each representing the relevant London Business Day in chronological order from (and including) the first London Business Day in such Distribution Accrual Period to (but excluding) the last London Business Day in such Distribution Accrual Period;

“**London Business Day**” or “**LBD**” means any day on which commercial banks are open for general business (including dealing in foreign exchange and foreign currency deposits) in London;

“**n<sub>i</sub>**”, for any day “**i**”, means the number of calendar days from and including such day “**i**” up to but excluding the following London Business Day;

“**Observation Period**” means, for the relevant Distribution Accrual Period, the period from (and including) the date falling five London Business Days (or, if higher, such other number of London Business Days specified in the applicable Pricing Supplement) prior to the first day of such Distribution Accrual Period (and the first Distribution Accrual Period shall begin on and include the Distribution Commencement Date) and ending on (but excluding) the date falling five London Business Days (or, if higher, such other number of London Business Days specified in the applicable Pricing Supplement) prior to the Distribution Payment Date at the end of such Distribution Accrual Period (or the date falling five London Business Days (or, if higher, such other number of London Business Days specified in the applicable Pricing Supplement) prior to such earlier date, if any, on which the Perpetual Capital Securities become due and payable);

“**SONIA<sub>i-xLBD</sub>**” means, in respect of any London Business Day falling in the relevant Observation Period, the SONIA Reference Rate for the London Business Day falling five London Business Days (or, if higher, such other number of London Business Days specified in the applicable Pricing Supplement) prior to the relevant London Business Day “**i**”; and

**“SONIA Reference Rate”** means, in respect of any London Business Day, a reference rate equal to the daily Sterling Overnight Index Average (**“SONIA”**) rate for such London Business Day as provided by the administrator of SONIA to authorised distributors and as then published on the Relevant Screen Page or, if the Relevant Screen Page is unavailable, as otherwise published by such authorised distributors (on the London Business Day immediately following such London Business Day).

- (y) If, subject to Condition 4(l)(i), in respect of any London Business Day in the relevant Observation Period, the Calculation Agent (or such other party responsible for the calculation of the Rate of Distribution, as specified in the applicable Pricing Supplement) determines that the SONIA Reference Rate is not available on the Relevant Screen Page or has not otherwise been published by the relevant authorised distributors, such SONIA reference rate shall be:
- (I) the Bank of England’s Bank Rate (the **“Bank Rate”**) prevailing at 5.00 p.m. (or, if earlier, close of business) on the relevant London Business Day; plus
  - (II) the mean of the spread of the SONIA Reference Rate to the Bank Rate over the previous five days on which a SONIA Reference Rate has been published, excluding the highest spread (or, if there is more than one highest spread, one only of those highest spreads) and lowest spread (or, if there is more than one lowest spread, one only of those lowest spreads) to the Bank Rate.

Notwithstanding the paragraph above, and without prejudice to Condition 4(l)(i), in the event the Bank of England publishes guidance as to:

- (A) how the SONIA Reference Rate is to be determined; or
- (B) any rate that is to replace the SONIA Reference Rate,

the Calculation Agent (or such other party responsible for the calculation of the Rate of Distribution as specified in the applicable Pricing Supplement, and in consultation with the Issuer) shall, to the extent that it is reasonably practicable, follow such guidance in order to determine the SONIA rate for the purpose of the relevant Series of Perpetual Capital Securities for so long as the SONIA Reference Rate is not available or has not been published by the authorised distributors.

- (z) In the event that the Rate of Distribution cannot be determined in accordance with the foregoing provisions by the Calculation Agent (or such other party responsible for the calculation of the Rate of Distribution, as specified in the applicable Pricing Supplement), subject to Condition 4(l)(i), the Rate of Distribution shall be:
- (I) that determined as at the last preceding Distribution Determination Date (though substituting, where a different Margin or Maximum Rate of Distribution or Minimum Rate of Distribution is to be applied to the relevant Distribution Accrual Period from that which applied to the last preceding Distribution Accrual Period, the

Margin or Maximum Rate of Distribution or Minimum Rate of Distribution (as specified in the applicable Pricing Supplement) relating to the relevant Distribution Accrual Period in place of the Margin or Maximum Rate of Distribution or Minimum Rate of Distribution relating to that last preceding Distribution Accrual Period); or

- (II) if there is no such preceding Distribution Determination Date, the initial Rate of Distribution which would have been applicable to such Series of Perpetual Capital Securities for the first Distribution Accrual Period had the Perpetual Capital Securities been in issue for a period equal in duration to the scheduled first Distribution Accrual Period but ending on (and excluding) the Distribution Commencement Date (but applying the Margin and any Maximum Rate of Distribution or Minimum Rate of Distribution applicable to the first Distribution Accrual Period).

If the relevant Series of Perpetual Capital Securities become due and payable in accordance with Condition 11, the final Distribution Determination Date shall, notwithstanding any Distribution Determination Date specified in the applicable Pricing Supplement, be deemed to be the date on which such Perpetual Capital Securities became due and payable (with corresponding adjustments being deemed to be made to the Compounded Daily SONIA formula) and the Rate of Distribution on such Perpetual Capital Securities shall, for so long as any such Perpetual Capital Security remains outstanding, be that determined on such date.

- (c) **Accrual of Distribution:** Subject to Condition 5, Distribution shall cease to accrue on each Perpetual Capital Security on the due date for redemption unless, upon due presentation, payment is improperly withheld or refused, in which event Distribution shall continue to accrue (both before and after judgment) at the Rate of Distribution in the manner provided in this Condition 4 to the Relevant Date (as defined in Condition 9).
- (d) **Margin, Maximum/Minimum Rates of Distribution and Redemption Amounts and Rounding:**
  - (i) If any Margin is specified in the applicable Pricing Supplement (either (x) generally, or (y) in relation to one or more Distribution Accrual Periods), an adjustment shall be made to all Rates of Distribution, in the case of (x), or the Rates of Distribution for the specified Distribution Accrual Periods, in the case of (y), calculated in accordance with Condition 4(b) by adding (if a positive number) or subtracting (if a negative number) the absolute value of such Margin, subject always to Condition 4(d)(ii).
  - (ii) If any Maximum or Minimum Rate of Distribution or Redemption Amount is specified in the applicable Pricing Supplement, then any Rate of Distribution or Redemption Amount shall be subject to such maximum or minimum, as the case may be.
  - (iii) For the purposes of any calculations required pursuant to these Conditions (unless otherwise specified), (x) all percentages resulting from such calculations shall be rounded, if necessary, to the nearest one hundred-thousandth of a percentage point (with halves being rounded up), (y) all figures shall be rounded to seven significant figures (with halves being rounded up) and (z) all currency amounts that

fall due and payable shall be rounded to the nearest unit of such currency (with halves being rounded up), save in the case of yen, which shall be rounded down to the nearest yen. For these purposes “unit” means the lowest amount of such currency that is available as legal tender in the country or countries of such currency.

- (e) **Calculations:** The amount of Distribution payable per calculation amount specified in the applicable Pricing Supplement (or, if no such amount is so specified, the Specified Denomination) (the “**Calculation Amount**”) in respect of any Perpetual Capital Security for any Distribution Accrual Period shall be equal to the product of the Rate of Distribution, the Calculation Amount specified in the applicable Pricing Supplement, and the Day Count Fraction specified in the applicable Pricing Supplement for such Distribution Accrual Period, unless a Distribution Amount (or a formula for its calculation) is applicable to such Distribution Accrual Period, in which case the amount of Distribution payable per Calculation Amount in respect of such Perpetual Capital Security for such Distribution Accrual Period shall equal such Distribution Amount (or be calculated in accordance with such formula). Where any Distribution Period comprises two or more Distribution Accrual Periods, the amount of Distribution payable per Calculation Amount in respect of such Distribution Period shall be the sum of the Distribution Amounts payable in respect of each of those Distribution Accrual Periods. In respect of any other period for which Distribution is required to be calculated, the provisions above shall apply save that the Day Count Fraction shall be for the period for which Distribution is required to be calculated.

*The amount payable in respect of the aggregate nominal amount of Perpetual Capital Securities represented by a Global Certificate shall be made in accordance with the methods of calculation provided for in these Conditions, **save that** the calculation is made in respect of the total aggregate amount of the Perpetual Capital Securities represented by a Global Certificate, together with such other sums and additional amounts (if any) as may be payable under these Conditions.*

- (f) **Determination and Publication of Reset Distribution Rate:** The Calculation Agent shall, on the second Business Day prior to each Reset Date, calculate the applicable Reset Distribution Rate and cause the Reset Distribution Rate to be notified to the Trustee, the Issuer, each of the Paying Agents, the Securityholders, any other Calculation Agent appointed in respect of the Perpetual Capital Securities that is to make a further calculation upon receipt of such information and, if the Perpetual Capital Securities are listed on a stock exchange and the rules of such exchange or other relevant authority so require, to such exchange or other relevant authority as soon as possible after their determination but in no event later than:
- (i) the commencement of the relevant Distribution Period, if determined prior to such time, in the case of notification to such exchange of a Rate of Distribution and Distribution Amount; or
  - (ii) in all other cases, the fourth Business Day after such determination.

The determination of any rate, the obtaining of each quotation and the making of each determination or calculation by the Calculation Agent(s) shall (in the absence of manifest error) be final and binding upon all parties.

- (g) **Determination and Publication of Rates of Distribution, Distribution Amounts, Final Redemption Amounts, Early Redemption Amounts and Optional Redemption Amounts:** The Calculation Agent shall, as soon as practicable on each Distribution Determination Date, or such other time on such date as the Calculation Agent may be required to calculate any rate or amount, obtain any quotation or make any determination or calculation, determine such rate and calculate the Distribution Amounts for the relevant Distribution Accrual Period, calculate the Final Redemption Amount, Early Redemption Amount or Optional Redemption Amount specified in the applicable Pricing Supplement, obtain such quotation or make such determination or calculation, as the case may be, and cause the Rate of Distribution and the Distribution Amounts for the relevant Distribution Accrual Period and, if required to be calculated, the Final Redemption Amount, Early Redemption Amount or any Optional Redemption Amount to be notified to the Trustee, the Issuer, each of the Paying Agents, the Securityholders, any other Calculation Agent appointed in respect of the Perpetual Capital Securities that is to make a further calculation upon receipt of such information and, if the Perpetual Capital Securities are listed on a stock exchange and the rules of such exchange or other relevant authority so require, such exchange or other relevant authority as soon as possible after their determination but in no event later than (i) the commencement of the relevant Distribution Period, if determined prior to such time, in the case of notification to such exchange of a Rate of Distribution and Distribution Amount, or (ii) in all other cases, the fourth Business Day after such determination. Where any Distribution Payment Date or Distribution Period Date is subject to adjustment pursuant to Condition 4(b)(ii), the Distribution Amounts and the Distribution Payment Date so published may subsequently be amended (or appropriate alternative arrangements made by way of adjustment) without notice in the event of an extension or shortening of the Distribution Period. If the Perpetual Capital Securities become due and payable under Condition 11, the accrued Distribution and the Rate of Distribution payable in respect of the Perpetual Capital Securities shall nevertheless continue to be calculated as previously in accordance with this Condition 4(h) but no publication of the Rate of Distribution or the Distribution Amount so calculated need be made. The determination of any rate or amount, the obtaining of each quotation and the making of each determination or calculation by the Calculation Agent(s) shall (in the absence of manifest error) be final and binding upon all parties.
- (h) **Determination or Calculation by an agent of the Issuer:** If the Calculation Agent does not at any time for any reason determine or calculate the Rate of Distribution for a Distribution Accrual Period or any Distribution Amount, Final Redemption Amount, Early Redemption Amount or Optional Redemption Amount, the Issuer shall appoint an agent on its behalf to do so and such determination or calculation shall be deemed to have been made by the Calculation Agent. In doing so, such agent shall apply the foregoing provisions of this Condition 4, with any necessary consequential amendments, to the extent that, in its opinion, it can do so, and, in all other respects it shall do so in such manner as, in its absolute discretion, it shall deem fair and reasonable in all the circumstances. The determination of any rate or amount, the obtaining of each quotation and the making of each determination or calculation by such agent pursuant to this Condition 4(h) shall (in the absence of manifest error) be final and binding upon all parties.
- (i) **Definitions:** In these Conditions, unless the context otherwise requires, the following defined terms shall have the meanings set out below:
- “Business Day”** means:
- (i) if the Specified Currency is not Singapore dollars, Euro or Renminbi, a day (other than a Saturday or Sunday) on which commercial banks and foreign exchange markets settle payments in the principal financial center for such currency; and/or

- (ii) if the Specified Currency is Euro, a day on which the TARGET System is operating (a “**TARGET Business Day**”); and/or
- (iii) if the Specified Currency is Renminbi:
  - (A) and the Perpetual Capital Securities are cleared through CMU, a day (other than a Saturday, Sunday or public holiday) on which commercial banks in Hong Kong are generally open for business and settlement of Renminbi payments in Hong Kong;
  - (B) and the Perpetual Capital Securities are cleared through CDP, a day (other than a Saturday, Sunday or gazetted public holiday) on which banks and foreign exchange markets are open for business and settlement of Renminbi payments in Singapore and Hong Kong; and
  - (C) the Perpetual Capital Securities are cleared through Euroclear and Clearstream, a day (other than a Saturday or Sunday) on which commercial banks and foreign exchange markets settle payments in London;
- (iv) if the Specified Currency is Singapore dollars:
  - (A) and the Perpetual Capital Securities are cleared through The Central Depository (Pte) Limited (“**CDP**”), a day (other than a Saturday, Sunday or gazetted public holiday) on which commercial banks settle payments in Singapore; and
  - (B) the Perpetual Capital Securities are cleared through Euroclear and Clearstream, a day (other than a Saturday or Sunday) on which commercial banks and foreign exchange markets settle payments in London; and/or
- (v) in the case of a Specified Currency and/or one or more Business Centers specified in the applicable Pricing Supplement a day (other than a Saturday or a Sunday) on which commercial banks and foreign exchange markets settle payments in such Specified Currency in the Business Center(s) or, if no Specified Currency is indicated, generally in each of the Business Centers.

“**Day Count Fraction**” means, in respect of the calculation of an amount of Distribution on any Perpetual Capital Security for any period of time (from and including the first day of such period to but excluding the last) (whether or not constituting a Distribution Period or a Distribution Accrual Period, the “**Calculation Period**”):

- (i) if “**Actual/Actual**” or “**Actual/Actual – ISDA**” is specified in the applicable Pricing Supplement, the actual number of days in the Calculation Period divided by 365 (or, if any portion of that Calculation Period falls in a leap year, the sum of (A) the actual number of days in that portion of the Calculation Period falling in a leap year divided by 366 and (B) the actual number of days in that portion of the Calculation Period falling in a non-leap year divided by 365);
- (ii) if “**Actual/365 (Fixed)**” is specified in the applicable Pricing Supplement, the actual number of days in the Calculation Period divided by 365;
- (iii) if “**Actual/360**” is specified in the applicable Pricing Supplement, the actual number of days in the Calculation Period divided by 360;

- (iv) if “**30/360**”, “**360/360**” or “**Bond Basis**” is specified in the applicable Pricing Supplement, the number of days in the Calculation Period divided by 360, calculated on a formula basis as follows:

$$\text{Day Count Fraction} = \frac{[360 \times (Y_2 - Y_1)] + [30 \times (M_2 - M_1)] + (D_2 - D_1)}{360}$$

where

“**Y<sub>1</sub>**” is the year, expressed as a number, in which the first day of the Calculation Period falls;

“**Y<sub>2</sub>**” is the year, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

“**M<sub>1</sub>**” is the calendar month, expressed as a number, in which the first day of the Calculation Period falls;

“**M<sub>2</sub>**” is the calendar month, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

“**D<sub>1</sub>**” is the first calendar day, expressed as a number, of the Calculation Period, unless such number would be 31, in which case D1 will be 30; and

“**D<sub>2</sub>**” is the calendar day, expressed as a number, immediately following the last day included in the Calculation Period, unless such number would be 31 and D1 is greater than 29, in which case D2 will be 30;

- (v) if “**30E/360**” or “**Eurobond Basis**” is specified in the applicable Pricing Supplement, the number of days in the Calculation Period divided by 360, calculated on a formula basis as follows:

$$\text{Day Count Fraction} = \frac{[360 \times (Y_2 - Y_1)] + [30 \times (M_2 - M_1)] + (D_2 - D_1)}{360}$$

where

“**Y<sub>1</sub>**” is the year, expressed as a number, in which the first day of the Calculation Period falls;

“**Y<sub>2</sub>**” is the year, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

“**M<sub>1</sub>**” is the calendar month, expressed as a number, in which the first day of the Calculation Period falls;

“**M<sub>2</sub>**” is the calendar month, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

“**D<sub>1</sub>**” is the first calendar day, expressed as a number, of the Calculation Period, unless such number would be 31, in which case D1 will be 30; and

“**D<sub>2</sub>**” is the calendar day, expressed as a number, immediately following the last day included in the Calculation Period, unless such number would be 31, in which case D2 will be 30;

- (vi) if “**30E/360 (ISDA)**” is specified in the applicable Pricing Supplement, the number of days in the Calculation Period divided by 360, calculated on a formula basis as follows:

$$\text{Day Count Fraction} = \frac{[360 \times (Y_2 - Y_1)] + [30 \times (M_2 - M_1)] + (D_2 - D_1)}{360}$$

where

“**Y<sub>1</sub>**” is the year, expressed as a number, in which the first day of the Calculation Period falls;

“**Y<sub>2</sub>**” is the year, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

“**M<sub>1</sub>**” is the calendar month, expressed as a number, in which the first day of the Calculation Period falls;

“**M<sub>2</sub>**” is the calendar month, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

“**D<sub>1</sub>**” is the first calendar day, expressed as a number, of the Calculation Period, unless (i) that day is the last day of February or (ii) such number would be 31, in which case D1 will be 30; and

“**D<sub>2</sub>**” is the calendar day, expressed as a number, immediately following the last day included in the Calculation Period, unless (i) that day is the last day of February or (ii) such number would be 31, in which case D2 will be 30;

- (vii) if “**Actual/Actual-ICMA**” is specified in the applicable Pricing Supplement:
- (A) if the Calculation Period is equal to or shorter than the Determination Period during which it falls, the number of days in the Calculation Period divided by the product of (x) the number of days in such Determination Period and (y) the number of Determination Periods normally ending in any year; and
- (B) if the Calculation Period is longer than one Determination Period, the sum of:
- (x) the number of days in such Calculation Period falling in the Determination Period in which it begins divided by the product of (1) the number of days in such Determination Period and (2) the number of Determination Periods normally ending in any year; and
- (y) the number of days in such Calculation Period falling in the next Determination Period divided by the product of (1) the number of days in such Determination Period and (2) the number of Determination Periods normally ending in any year

where:

“**Determination Date**” means the date(s) specified as such in the applicable Pricing Supplement or, if none is so specified, the Distribution Payment Date(s); and

“**Determination Period**” means the period from and including a Determination Date in any year to but excluding the next Determination Date.



**“Distribution Accrual Period”** means the period beginning on (and including) the Distribution Commencement Date and ending on (but excluding) the first Distribution Period Date and each successive period beginning on (and including) a Distribution Period Date and ending on (but excluding) the next succeeding Distribution Period Date.

**“Distribution Amount”** means:

- (i) in respect of a Distribution Accrual Period, the amount of Distribution payable per Calculation Amount for that Distribution Accrual Period and which, in the case of Fixed Rate Perpetual Capital Securities, and unless otherwise specified in the applicable Pricing Supplement, shall mean the Fixed Distribution Amount or Broken Amount specified in the applicable Pricing Supplement as being payable on the Distribution Payment Date ending the Distribution Period of which such Distribution Accrual Period forms part; and
- (ii) in respect of any other period, the amount of Distribution payable per Calculation Amount for that period.

**“Distribution Commencement Date”** means the Issue Date or such other date as may be specified in the applicable Pricing Supplement.

**“Distribution Determination Date”** means, with respect to a Rate of Distribution and Distribution Accrual Period, the date specified as such in the applicable Pricing Supplement or, if none is so specified, (i) the first day of such Distribution Accrual Period if the Specified Currency is Sterling or Hong Kong dollars or Renminbi or (ii) the day falling two Business Days in the relevant Financial Center for the Specified Currency prior to the first day of such Distribution Accrual Period if the Specified Currency is neither Sterling nor Euro nor Hong Kong dollars nor Renminbi or (iii) the day falling two TARGET Business Days prior to the first day of such Distribution Accrual Period if the Specified Currency is Euro.

**“Distribution Period”** means the period beginning on (and including) the Distribution Commencement Date and ending on (but excluding) the first Distribution Payment Date and each successive period beginning on (and including) a Distribution Payment Date and ending on (but excluding) the next succeeding Distribution Payment Date.

**“Distribution Period Date”** means each Distribution Payment Date unless otherwise specified in the applicable Pricing Supplement.

**“Euro”** means the currency of the member states of the European Union that adopt the single currency in accordance with the Treaty establishing the European Community, as amended from time to time.

**“Euro-zone”** means the region comprising member states of the European Union that adopt the single currency in accordance with the Treaty establishing the European Community, as amended from time to time.

**“Hong Kong dollars”** means the lawful currency of Hong Kong.

**“ISDA Definitions”** means the 2006 ISDA Definitions, as published by the International Swaps and Derivatives Association, Inc., unless otherwise specified in the applicable Pricing Supplement.

**“Rate of Distribution”** means the rate of Distribution payable from time to time in respect of this Perpetual Capital Security and that is either specified or calculated in accordance with the provisions in the applicable Pricing Supplement.

**“Reference Banks”** means (i) in the case of a determination of LIBOR, the principal London office of four major banks in the London inter-bank market, (ii) in the case of a determination of EURIBOR, the principal Euro-zone office of four major banks in the Euro-zone inter-bank market and (iii) in the case of a determination of HIBOR, the principal Hong Kong office of four major banks in the Hong Kong inter-bank market, in each case selected by the Issuer or as specified in the applicable Pricing Supplement.

**“Reference Rate”** means the rate specified as such in the applicable Pricing Supplement.

**“Relevant Screen Page”** means such page, section, caption, column or other part of a particular information service as may be specified in the applicable Pricing Supplement or such other page, section, caption, column or other part as may replace it on that information service or such other information service, in each case, as may be nominated by the person providing or sponsoring the information appearing there for the purpose of displaying rates or prices comparable to the Reference Rate.

**“Relevant Time”** means, with respect to any Distribution Determination Date, the local time in the relevant Financial Center specified in the applicable Pricing Supplement or, if none is specified, the local time in the relevant financial center at which it is customary to determine bid and offered rates in respect of deposits in the relevant currency in the inter-bank market in the relevant financial center or, if no such customary local time exists, 11:00 a.m. in the relevant financial center and, for the purpose of this definition **“local time”** means, with respect to the Euro-zone as a relevant financial center, Central European Time.

**“Renminbi”** and **“CNY”** means the lawful currency of the PRC (as defined herein).

**“Specified Currency”** means the currency specified as such in the applicable Pricing Supplement or, if none is specified, the currency in which the Perpetual Capital Securities are denominated.

**“Sterling”** means pound sterling, the lawful currency of the United Kingdom.

**“TARGET System”** means the Trans-European Automated Real-Time Gross Settlement Express Transfer (known as TARGET2) System which was launched on November 19, 2007 or any successor thereto.

**“Yen”** means the lawful currency of Japan.

- (j) **Calculation Agent:** The Issuer shall procure that there shall at all times be one or more Calculation Agents if provision is made for them in the applicable Pricing Supplement and for so long as any Perpetual Capital Security is outstanding (as defined in the Trust Deed). Where more than one Calculation Agent is appointed in respect of the Perpetual Capital Securities, references in these Conditions to the Calculation Agent shall be construed as each Calculation Agent performing its respective duties under these Conditions. If the Calculation Agent is unable or unwilling to act as such or if the Calculation Agent fails duly to establish the Rate of Distribution for a Distribution Accrual Period or to calculate any Distribution Amount, Final Redemption Amount, Early Redemption Amount or Optional Redemption Amount, as the case may be, or to comply with any other requirement, the Issuer shall appoint a leading bank or financial

institution engaged in the inter-bank market (or, if appropriate, money, swap or over-the-counter index options market) that is most closely connected with the calculation or determination to be made by the Calculation Agent (acting through its principal London office or any other office actively involved in such market) to act as such in its place. The Calculation Agent may not resign its duties without a successor having been appointed as aforesaid.

(k) **Distribution on Floating Perpetual Capital Securities (for Singapore Dollar Perpetual Capital Securities):** Unless otherwise specified in the applicable Pricing Supplement, the following provisions will apply to Singapore Dollar Perpetual Capital Securities which are specified in the applicable Pricing Supplement as being Floating Rate Perpetual Capital Securities. Terms used in this Condition 4(k) are defined in Condition 4(k)(vi).

(i) *Distribution Payment Dates:* Subject to Condition 5, each Floating Rate Perpetual Capital Security confers a right to receive Distribution on its Calculation Amount from and including the Distribution Commencement Date in respect thereof and as shown on the face of such Floating Rate Perpetual Capital Security, and such Distribution will be payable in arrear on each date (“**Distribution Payment Date**”) which (save as mentioned in this Condition 4(k)) falls the number of months specified as the Distribution Period on the face of the Perpetual Capital Security (the “**Specified Number of Months**”) after the preceding Distribution Payment Date or, in the case of the first Distribution Payment Date, after the Distribution Commencement Date (and which corresponds numerically with such preceding Distribution Payment Date or Distribution Commencement Date, as the case may be). If any Distribution Payment Date would otherwise fall on a day which is not a business day (as defined below), it shall be postponed to the next day which is a business day unless it would thereby fall into the next calendar month. In any such case as aforesaid or if there is no date in the relevant month which corresponds numerically with the preceding Distribution Payment Date or, as the case may be, the Distribution Commencement Date (a) the Distribution Payment Date shall be brought forward to the immediately preceding business day and (b) each subsequent Distribution Payment Date shall be the last business day of the month which is the last of the Specified Number of Months after the month in which the preceding Distribution Payment Date or, as the case may be, the Distribution Commencement Date shall have fallen.

The period beginning on (and including) the Distribution Commencement Date and ending on (but excluding) the first Distribution Payment Date and each successive period beginning on (and including) a Distribution Payment Date and ending on (but *excluding*) the next succeeding Distribution Payment Date is herein called an “Distribution Period” and “business day” in this Condition 4(k) means a day (other than Saturday or Sunday) on which commercial banks are open for business in Singapore.

Distribution will cease to accrue on each Floating Rate Perpetual Capital Security from the due date for redemption thereof unless, upon due presentation thereof, payment of principal (or the Redemption Amount, as the case may be) is improperly withheld or refused, in which event Distribution will continue to accrue (as well after as before judgment) at the rate and in the manner provided in this Condition 4(k) and the Agency Agreement to the Relevant Date.

(ii) *Rate of Distribution for Floating Rate Perpetual Capital Securities:*

- (A) Each Floating Rate Perpetual Capital Security bears Distribution at a floating rate determined by reference to a benchmark as stated on the face of such Floating Rate Perpetual Capital Security and the applicable Pricing Supplement, being the Singapore Interbank Offered Rate (“**SIBOR**”) (in which case such Perpetual Capital Security will be a SIBOR Perpetual Capital Security), Swap Rate (in which case such Perpetual Capital Security will be a Swap Rate Perpetual Capital Security) or the Compounded Daily Singapore Overnight Rate Average (“**SORA**”) (in which case such Perpetual Capital Security will be a SORA Perpetual Capital Security) or in any case such other benchmark as is set out on the face of such Perpetual Capital Security.

Such floating rate may be adjusted by adding or subtracting the Margin (if any) stated on the face of such Perpetual Capital Security. The “Margin” is the percentage rate per annum specified on the face of such Perpetual Capital Security as being applicable to the rate of Distribution for such Perpetual Capital Security. The rate of Distribution so calculated shall be subject to Condition 4(k)(vi).

- (B) The rate of Distribution payable in respect of a Floating Rate Perpetual Capital Security from time to time is referred to in this Condition 4(k) as the “**Rate of Distribution**”. The Rate of Distribution payable from time to time in respect of each Floating Rate Perpetual Capital Security under this Condition 4(k) will be determined by the Calculation Agent on the basis of the following provisions:

- (x) in the case of Floating Rate Perpetual Capital Securities which are specified in the applicable Pricing Supplement as being SIBOR Perpetual Capital Securities:

- (1) the Calculation Agent will, at or about the Relevant Time on the relevant Distribution Determination Date in respect of each Distribution Period, determine the Rate of Distribution for such Distribution Period which shall be the offered rate for deposits in Singapore dollars for a period equal to the duration of such Distribution Period which appears on the Reuters Screen ABSFIX01 page under the caption “ABS SIBOR FIX – SIBOR AND SWAP OFFER RATES – RATES AT 11:00 HRS SINGAPORE TIME” and the column headed “SGD SIBOR” (or such other Relevant Screen Page);
- (2) if no such rate appears on the Reuters Screen ABSFIX01 page (or such other replacement page thereof or, if no rate appears, on such other Relevant Screen Page) or if Reuters Screen ABSFIX01 page (or such other replacement page thereof or such other Relevant Screen Page) is unavailable for any reason, the Calculation Agent will determine the Rate of Distribution for such Distribution Period as being the rate (or if there is more than one rate which is published, the arithmetic mean of those rates (which shall be rounded up to the nearest 1/16th%)) for a period equal to the duration of such Distribution Period published by a recognised industry body where such rate is widely used (after taking into account the industry practice at that time), or by such other relevant authority as such Calculation Agent may select;

- (3) if on any Distribution Determination Date such Calculation Agent is otherwise unable to determine the Rate of Distribution under paragraphs (1) and (2) above, the Issuer will request the principal Singapore offices of each of the Reference Banks to provide the Issuer with the rate at which deposits in Singapore dollars are offered by it at approximately the Relevant Time on the Distribution Determination Date to prime banks in the Singapore inter-bank market for a period equivalent to the duration of such Distribution Period commencing on such Distribution Payment Date in an amount comparable to the aggregate nominal amount of the relevant Floating Rate Perpetual Capital Security and such rate shall be notified to the Calculation Agent. The Rate of Distribution for such Distribution Period shall be the arithmetic mean (rounded up, if necessary, to the nearest 1/16%) of such offered quotations, as determined by the Calculation Agent;
- (4) if on any Distribution Determination Date two but not all the Reference Banks provide the Issuer with such quotations, the Rate of Distribution for the relevant Distribution Period shall be determined in accordance with (3) above on the basis of the quotations of those Reference Banks providing such quotations; and
- (5) if on any Distribution Determination Date one only or none of the Reference Banks provides the Issuer with such quotations, the Rate of Distribution for the relevant Distribution Period shall be the rate per annum which the Calculation Agent determines to be the arithmetic mean (rounded up, if necessary, to the nearest 1/16%) of the rates quoted by the Reference Banks or those of them (being at least two in number) to the Issuer at or about the Relevant Time on such Distribution Determination Date as being their cost (including the cost occasioned by or attributable to complying with reserves, liquidity, deposit or other requirements imposed on them by any relevant authority or authorities) of funding, for the relevant Distribution Period, an amount equal to the aggregate nominal amount of the relevant Floating Rate Perpetual Capital Securities for such Distribution Period by whatever means they determine to be most appropriate or if on such Distribution Determination Date one only or none of the Reference Banks provides the Issuer with such quotation, the rate per annum which the Calculation Agent determines to be arithmetic mean (rounded up, if necessary, to the nearest 1/16%) of the prime lending rates for Singapore dollars quoted by the Reference Banks at or about the Relevant Time on such Distribution Determination Date, provided that, if the Rate of Distribution cannot be determined in accordance with the foregoing provisions of this Condition 4(k)(ii)(B)(x), the Rate of Distribution shall be determined as at the last preceding Distribution Determination Date (though substituting, where a different Margin or Maximum or Minimum Rate of Distribution is to be applied to the relevant Distribution Period from that which applied to the last preceding Distribution Period, the Margin or Maximum or Minimum Rate of Distribution relating to the relevant Distribution Period, in place of the Margin or Maximum or Minimum Rate of Distribution relating to that last preceding Distribution Period).

- (y) in the case of Floating Rate Perpetual Capital Securities which are specified in the applicable Pricing Supplement as being Swap Rate Perpetual Capital Securities:
- (1) the Calculation Agent will, at or about the Relevant Time on the relevant Distribution Determination Date in respect of each Distribution Period, determine the Rate of Distribution for such Distribution Period which shall be the Average Swap Rate for such Distribution Period (determined by the Calculation Agent as being the rate which appears on the Reuters Screen ABSFIX01 page under the caption "SGD SOR rates as of 11:00 hrs London time" under the column headed "SGD SOR" (or such other page as may replace Reuters Screen ABSFIX01 page for the purpose of displaying the swap rates of leading reference banks) at or about the Relevant Time on such Distribution Determination Date and for a period equal to the duration of such Distribution Period);
  - (2) if on any Distribution Determination Date, no such rate is quoted on Reuters Screen ABSFIX01 page (or such other replacement page as aforesaid) or Reuters Screen ABSFIX01 page (or such other replacement page as aforesaid) is unavailable for any reason, the Calculation Agent will determine the Average Swap Rate (which shall be rounded up to the nearest 1/16%) as the rate for such Distribution Period published by a recognized industry body where such rate is widely used (after taking into account the industry practice at that time), or by such other relevant authority as the Calculation Agent may select;
  - (3) if on any Distribution Determination Date the Calculation Agent is unable to determine the Average Swap Rate under Condition 4(k)(ii)(B)(y)(2), the Average Swap Rate shall be determined by the Calculation Agent to be the rate per annum equal to the arithmetic mean (rounded up, if necessary, to the nearest 1/16%) of the rates quoted by the Reference Banks or those of them (being at least two in number) to the Issuer at or about the Relevant Time on such Distribution Determination Date as being their cost (including the cost occasioned by or attributable to complying with reserves, liquidity, deposit or other requirements imposed on them by any relevant authority or authorities) of funding, for the relevant Distribution Period, in an amount equal to the aggregate nominal amount of the relevant Floating Rate Perpetual Capital Securities for such Distribution Period by whatever means they determine to be most appropriate and the Rate of Distribution for the relevant Distribution Period shall be the Average Swap Rate (as so determined by the Calculation Agent), or if on such Distribution Determination Date one only or none of the Reference Banks provides the Issuer with such quotation, the Rate of Distribution for the relevant Distribution Period shall be the rate per annum equal to the arithmetic mean (rounded up, if necessary, to the nearest 1/16%) of the prime lending rates for Singapore dollars quoted by the Reference Banks at or about the Relevant Time on such Distribution Determination Date and such rate shall be notified to the Calculation Agent, provided that, if the Rate of Distribution cannot be determined in accordance with the foregoing provisions of this Condition 4(k)(ii)(B)(y), the Rate of Distribution shall be

determined as at the last preceding Distribution Determination Date (though substituting, where a different Margin or Maximum or Minimum Rate of Distribution is to be applied to the relevant Distribution Period from that which applied to the last preceding Distribution Period, the Margin or Maximum or Minimum Rate of Distribution relating to the relevant Distribution Period, in place of the Margin or Maximum or Minimum Rate of Distribution relating to that last preceding Distribution Period).

- (z) in the case of Floating Rate Perpetual Capital Securities which are specified in the applicable Pricing Supplement as being SORA Perpetual Capital Securities, the Rate of Distribution for each Distribution Accrual Period will, subject as provided below, be Compounded Daily SORA (as defined below) plus or minus the Margin:

- (1) where Lookback is specified in the applicable Pricing Supplement:

**“Compounded Daily SORA”** means, with respect to an Distribution Accrual Period, the rate of return of a daily compound interest investment during the Observation Period corresponding to such Distribution Accrual Period (with the reference rate for the calculation of interest being the daily Singapore Overnight Rate Average) calculated in accordance with the formula set forth below by the Calculation Agent (or such other party responsible for the calculation of the Rate of Distribution, as specified in the applicable Pricing Supplement) on the Distribution Determination Date, with the resulting percentage being rounded, if necessary, to the nearest one ten-thousandth of a percentage point (0.0001%), with 0.00005% being rounded upwards.

$$\left[ \prod_{i=1}^{d_o} \left( 1 + \frac{SORA_{i-x_{SBD}} \times n_i}{365} \right) - 1 \right] \times \frac{365}{d}$$

where:

**“d”** is the number of calendar days in the relevant Distribution Accrual Period;

**“d<sub>o</sub>”**, for any Distribution Accrual Period, is the number of Singapore Business Days in the relevant Distribution Accrual Period;

**“i”**, for the relevant Distribution Accrual Period, is a series of whole numbers from one to d<sub>o</sub>, each representing the relevant Singapore Business Days in chronological order from, and including, the first Singapore Business Day in such Distribution Accrual Period to, but excluding, the last Singapore Business Day in such Distribution Accrual Period;

**“Distribution Determination Date”** means, with respect to a Rate of Distribution and Distribution Accrual Period, the date falling one Singapore Business Day after the end of each Observation Period;

**“ $n_i$ ”**, for any day “ $i$ ”, is the number of calendar days from and including such day “ $i$ ” up to but excluding the following Singapore Business Day;

**“Singapore Business Days”** or **“SBD”** means a day (other than a Saturday, Sunday or gazetted public holiday) on which commercial banks settle payments in Singapore;

**“Observation Period”** means, for the relevant Distribution Accrual Period, the period from, and including, the date falling five Singapore Business Days (or, if higher, such other number of Singapore Business Days specified in the applicable Pricing Supplement) prior to the first day of such Distribution Accrual Period (and the first Distribution Accrual Period shall begin on and include the Distribution Commencement Date) and to, but excluding, the date falling five Singapore Business Days (or, if higher, such other number of Singapore Business Days specified in the applicable Pricing Supplement) prior to the Distribution Payment Date at the end of such Distribution Accrual Period (or the date falling five Singapore Business Days (or, if higher, such other number of Singapore Business Days specified in the applicable Pricing Supplement) prior to such earlier date, if any, on which the Perpetual Capital Securities become due and payable);

**“SORA”** means, in respect of any Singapore Business Day “ $i$ ”, a reference rate equal to the daily Singapore Overnight Rate Average provided by the Monetary Authority of Singapore (or a successor administrator), as the administrator of the benchmark, on the Monetary Authority of Singapore’s website currently at <http://www.mas.gov.sg>, or any successor website officially designated by the Monetary Authority of Singapore (or as published by its authorised distributors) (the **“Relevant Screen Page”**) on the Singapore Business Day immediately following such day “ $i$ ”; and

**“ $SORA_{i-x\text{ SBD}}$ ”**, in respect of any Singapore Business Day falling in the relevant Observation Period, the reference rate equal to SORA in respect of the Singapore Business Day falling five Singapore Business Days (or, if higher, such other number of Singapore Business Days specified in the applicable Pricing Supplement) prior to the relevant Singapore Business Day “ $i$ ”.

- (2) where Backward Shifted Observation Period is specified in the applicable Pricing Supplement:

**“Compounded Daily SORA”** means, with respect to an Distribution Accrual Period, the rate of return of a daily compound interest investment during the Observation Period corresponding to such Distribution Accrual Period (with the reference rate for the calculation of interest being the daily Singapore Overnight Rate Average) calculated in accordance with the formula set forth below



by the Calculation Agent (or such other party responsible for the calculation of the Rate of Distribution, as specified in the applicable Pricing Supplement) on the Distribution Determination Date, with the resulting percentage being rounded, if necessary, to the nearest one ten-thousandth of a percentage point (0.0001%), with 0.00005% being rounded upwards.

$$\left[ \prod_{i=1}^{d_o} \left( 1 + \frac{SORA_i \times n_i}{365} \right) - 1 \right] \times \frac{365}{d}$$

where:

“**d**” is the number of calendar days in the relevant Observation Period;

“**d<sub>o</sub>**”, for any Distribution Accrual Period, is the number of Singapore Business Days in the relevant Observation Period;

“**i**”, for the relevant Distribution Accrual Period, is a series of whole numbers from one to **d<sub>o</sub>**, each representing the relevant Singapore Business Days in chronological order from, and including, the first Singapore Business Day in such Observation Period to, but excluding, the last Singapore Business Day in such Observation Period;

“**Distribution Determination Date**” means, with respect to a Rate of Distribution and Distribution Accrual Period, the date falling one Singapore Business Day after the end of each Observation Period;

“**n<sub>i</sub>**”, for any day “**i**”, is the number of calendar days from and including such day “**i**” up to but excluding the following Singapore Business Day;

“**Singapore Business Days**” or “**SBD**” means a day (other than a Saturday, Sunday or gazetted public holiday) on which commercial banks settle payments in Singapore;

“**Observation Period**” means, for the relevant Distribution Accrual Period, the period from, and including, the date falling five Singapore Business Days (or, if higher, such other number of Singapore Business Days specified in the applicable Pricing Supplement) prior to the first day of such Distribution Accrual Period (and the first Distribution Accrual Period shall begin on and include the Distribution Commencement Date) and to, but excluding, the date falling five Singapore Business Days (or, if higher, such other number of Singapore Business Days specified in the applicable Pricing Supplement) prior to the Distribution Payment Date at the end of such Distribution Accrual Period (or the date falling five Singapore Business Days (or, if higher, such other number of Singapore Business Days specified in the applicable Pricing Supplement) prior to such earlier date, if any, on which the Perpetual Capital Securities become due and payable);

“**SORA**” means, in respect of any Singapore Business Day “i”, a reference rate equal to the daily Singapore Overnight Rate Average provided by the Monetary Authority of Singapore (or a successor administrator), as the administrator of the benchmark, on the Monetary Authority of Singapore’s website currently at <http://www.mas.gov.sg>, or any successor website officially designated by the Monetary Authority of Singapore (or as published by its authorised distributors) (the “**Relevant Screen Page**”) on the Singapore Business Day immediately following such day “i”; and

“**SORA<sub>i</sub>**”, in respect of any Singapore Business Day falling in the relevant Observation Period, the reference rate equal to SORA in respect of that Singapore Business Day.

*For the avoidance of doubt, the formula for the calculation of Compounded Daily SORA only compounds SORA in respect of any Singapore Business Day. SORA applied to a day that is not a Singapore Business Day will be taken by applying SORA for the previous Singapore Business Day but without compounding.*

- (3) If, subject to Condition 4(l)(iv), by 5:00 p.m., Singapore time, on the Singapore Business Day immediately following such day “i”, SORA in respect of such day “i” has not been published and a SORA Index Cessation Event has not occurred, then SORA for that day “i” will be SORA as published in respect of the first preceding Singapore Business Day for which SORA was published.
- (4) In the event that the Rate of Distribution cannot be determined in accordance with the foregoing provisions by the Calculation Agent (or such other party responsible for the calculation of the Rate of Distribution, as specified in the applicable Pricing Supplement), subject to Condition 4(l)(iv), the Rate of Distribution shall be:
  - (A) that determined as at the last preceding Distribution Determination Date (though substituting, where a different Margin or Maximum Rate of Distribution or Minimum Rate of Distribution is to be applied to the relevant Distribution Accrual Period from that which applied to the last preceding Distribution Accrual Period, the Margin or Maximum Rate of Distribution or Minimum Rate of Distribution (as specified in the applicable Pricing Supplement) relating to the relevant Distribution Accrual Period in place of the Margin or Maximum Rate of Distribution or Minimum Rate of Distribution relating to that last preceding Distribution Accrual Period); or
  - (B) if there is no such preceding Distribution Determination Date, the initial Rate of Distribution which would have been applicable to such Series of Perpetual Capital Securities for the first Distribution Accrual Period had the Perpetual Capital Securities been in issue for a period equal in duration to the scheduled first Distribution Accrual Period but ending on (and excluding) the Distribution Commencement Date (but applying the Margin and any Maximum Rate of Distribution or Minimum Rate of Distribution applicable to the first Distribution Accrual Period).

If the relevant Series of Perpetual Capital Securities become due and payable in accordance with Condition 11, the final Distribution Determination Date shall, notwithstanding any Distribution Determination Date specified in the applicable Pricing Supplement, be deemed to be the date on which such Perpetual Capital Securities became due and payable (with corresponding adjustments being deemed to be made to the Compounded Daily SORA formula) and the Rate of Distribution on such Perpetual Capital Securities shall, for so long as any such Perpetual Capital Security remains outstanding, be that determined on such date.

(C) On the last day of each Distribution Period, the Issuer will pay Distribution on each Floating Rate Perpetual Capital Security to which such Distribution Period relates at the Rate of Distribution for such Distribution Period.

(iii) *Determination of Rate of Distribution and Calculation of Distribution Amounts*

The Calculation Agent will, at the Relevant Time on each Distribution Determination Date, determine the Rate of Distribution and calculate the amount of Distribution payable (the “**Distribution Amounts**”) in respect of each denomination of the relevant Floating Rate Perpetual Capital Securities for the relevant Distribution Period. The Distribution Amounts shall be calculated by applying the Rate of Distribution to the Calculation Amount, multiplying such product by the actual number of days in the Distribution Period concerned, divided by the FRN Day Basis shown on the face of such Perpetual Capital Security and rounding the resultant figure to the nearest cent. The determination of the Rate of Distribution and the Distribution Amounts by the Calculation Agent shall (in the absence of manifest error) be final and binding upon all parties.

(iv) *Duration of Rate of Distribution and Distribution Amounts*

The Calculation Agent will cause the Rate of Distribution and the Distribution Amounts for each Distribution Period and the relevant Distribution Payment Date to be notified to the Issuing and Paying Agent, the Issuer and each of the Paying Agents and to be notified to Securityholders and, if the Perpetual Capital Securities are listed on a stock exchange and the rules of such exchange or other relevant authority so require, such exchange or other relevant authority as soon as possible after their determination but in no event later than (i) the commencement of the relevant Distribution Period, if determined prior to such time, in the case of notification to such exchange or other relevant authority, or (ii) in all other cases the fourth Relevant Business Day thereafter. The Distribution Amounts and the Distribution Payment Date so published may subsequently be amended (or appropriate alternative arrangements made by way of adjustment) without notice in the event of an extension or shortening of the Distribution Period.

(v) *Calculation Agent and Reference Banks*

The Issuer will procure that, so long as any relevant Floating Rate Perpetual Capital Securities remains outstanding, there shall at all times be three Reference Banks and a Calculation Agent. If any Reference Bank (acting through its relevant office) is unable or unwilling to continue to act as a Reference Bank or the Calculation Agent is unable or unwilling to act as such or if the Calculation Agent fails duly to establish the Rate of Distribution for any Distribution Period or to calculate the Distribution Amounts or the Redemption Amount, the Issuer will

appoint the Singapore office of a leading bank or merchant bank engaged in the Singapore inter-bank market to act as such in its place and will notify such change(s) to the Securityholders. The Calculation Agent may not resign its duties without a successor having been appointed as aforesaid.

(vi) *Definitions*

As used in this Condition 4(k):

**“Calculation Agent”** means the calculation agent designated for the relevant Perpetual Capital Securities;

**“Calculation Amount”** means the amount specified as such on the face of any Perpetual Capital Security, or if no such amount is so specified, the Denomination Amount of such Perpetual Capital Security as shown on the face thereof;

**“Distribution Commencement Date”** means, in the case of the first issue of a Perpetual Capital Security or Perpetual Capital Securities of a Series, the Issue Date or such other date as may be specified as the Distribution Commencement on the face of such Perpetual Capital Security and, in the case of a further issue of a Perpetual Capital Security or Perpetual Capital Securities of such Series, means the most recent Reference Date or, as the case may be, Distribution Payment Date in relation to such first issue next preceding the date on which such further Perpetual Capital Security or Perpetual Capital Securities are issued or if there is no such date, the Distribution Commencement Date in respect of such first issue;

**“Distribution Determination Date”** means, in respect of any Distribution Period, that number of business days prior thereto as is set out in the applicable Pricing Supplement or on the face of the relevant Perpetual Capital Security;

**“Reference Banks”** means the principal Singapore office of three major banks in the Singapore Inter-bank market, selected by the Issuer or as specified in the applicable Pricing Supplement;

**“Relevant Time”** means 11.00 a.m. (Singapore time).

(l) **Benchmark Discontinuation**

(i) Benchmark Discontinuation (General)

Where the Pricing Supplement specifies this Condition 4(l)(i) as applicable:

(A) Independent Adviser

If a Benchmark Event occurs in relation to an Original Reference Rate when any Rate of Distribution (or any component part thereof) remains to be determined by reference to such Original Reference Rate, the Issuer shall use its reasonable endeavours to appoint an Independent Adviser, as soon as reasonably practicable, to determine a Successor Rate, or failing which, an Alternative Rate (in accordance with Condition 4(l)(i)(B)) and, in either case, an Adjustment Spread and any Benchmark Amendments (in accordance with Condition 4(l)(i)(D)).

In making such determination, the Independent Adviser appointed pursuant to this Condition 4(l)(i) shall act in good faith as an expert and in consultation with the Issuer. In the absence of bad faith or fraud, the Independent Adviser shall have no liability whatsoever to the Issuer, the Trustee, the Paying Agents, or the Securityholders for any determination made by it, pursuant to this Condition 4(l)(i).

If

- (i) the Issuer is unable to appoint an Independent Adviser; or
- (ii) the Independent Adviser fails to determine a Successor Rate or, failing which, an Alternative Rate, in accordance with this Condition 4(l)(i)(A) prior to the relevant Distribution Determination Date, the Rate of Distribution applicable to the next succeeding Distribution Accrual Period shall be equal to the Rate of Distribution last determined in relation to the Perpetual Capital Securities in respect of the immediately preceding Distribution Accrual Period. If there has not been a first Distribution Payment Date, the Rate of Distribution shall be the initial Rate of Distribution. Where a different Margin or Maximum or Minimum Rate of Distribution is to be applied to the relevant Distribution Accrual Period from that which applied to the last preceding Distribution Accrual Period, the Margin or Maximum or Minimum Rate of Distribution relating to the relevant Distribution Accrual Period shall be substituted in place of the Margin or Maximum or Minimum Rate of Distribution relating to that last preceding Distribution Accrual Period. For the avoidance of doubt, this paragraph shall apply to the relevant next succeeding Distribution Accrual Period only and any subsequent Distribution Accrual Periods are subject to the subsequent operation of, and to adjustment as provided in, the first paragraph of this Condition 4(l)(i)(A).

(B) Successor Rate or Alternative Rate

If the Independent Adviser determines that:

- (i) there is a Successor Rate, then such Successor Rate and the applicable Adjustment Spread shall subsequently be used in place of the Original Reference Rate to determine the Rate of Distribution (or the relevant component part thereof) for all future payments of distribution on the Perpetual Capital Securities (subject to the operation of this Condition 4(l)(i)); or
- (ii) there is no Successor Rate but that there is an Alternative Rate, then such Alternative Rate and the applicable Adjustment Spread shall subsequently be used in place of the Original Reference Rate to determine the Rate of Distribution (or the relevant component part thereof) for all future payments of distribution on the Perpetual Capital Securities (subject to the operation of this Condition 4(l)(i)).

(C) Adjustment Spread

The Adjustment Spread (or the formula or methodology for determining the Adjustment Spread) shall be applied to the Successor Rate or the Alternative Rate (as the case may be). If the Independent Adviser (in consultation with the Issuer) is unable to determine the quantum of, or a formula or methodology for determining, such Adjustment Spread, then the Successor Rate or Alternative Reference Rate (as applicable) will apply without an Adjustment Spread.

(D) Benchmark Amendments

If any Successor Rate or Alternative Rate and, in either case, the applicable Adjustment Spread is determined in accordance with this Condition 4(l)(i) and the Independent Adviser (in consultation with the Issuer) determines

- (i) that amendments to these Conditions and/or the Trust Deed are necessary to ensure the proper operation of such Successor Rate or Alternative Rate and/or (in either case) the applicable Adjustment Spread (such amendments, the "Benchmark Amendments"); and
- (ii) the terms of the Benchmark Amendments, then the Issuer shall, subject to giving notice thereof in accordance with Condition 4(l)(i)(E), without any requirement for the consent or approval of Securityholders, the Trustee or Agents, vary these Conditions and/or the Trust Deed to give effect to such Benchmark Amendments with effect from the date specified in such notice.

At the request of the Issuer, but subject to receipt by the Trustee of a certificate signed by two authorised signatories of the Issuer pursuant to Condition 4(l)(i)(E), the Trustee shall (at the expense of the Issuer), without any requirement for the consent or approval of the Securityholders, be obliged to concur with the Issuer in effecting any Benchmark Amendments (including, *inter alia*, by the execution of a deed supplemental to or amending the Trust Deed), provided that the Trustee shall not be obliged so to concur if in the opinion of the Trustee doing so would impose more onerous obligations upon it or expose it to any additional duties, responsibilities or liabilities or reduce or amend the protective provisions afforded to the Trustee in these Conditions or the Trust Deed (including, for the avoidance of doubt, any supplemental trust deed) in any way.

For the avoidance of doubt, the Trustee and the Issuing and Paying Agent shall, at the direction and expense of the Issuer, effect such consequential amendments to the Trust Deed, the Agency Agreement and these Conditions as may be required in order to give effect to this Condition 4(l)(i)(D). Securityholders' consent shall not be required in connection with the effecting of the Successor Rate or the Alternative Rate (as applicable) or such other changes, including the execution of any documents or any steps by the Trustee or the Issuing and Paying Agent (if required). Further, none of the Trustee, the Calculation Agent, the Paying Agents, the Registrars or the Transfer Agents shall be responsible or liable for any determinations or certifications made by the Issuer or the Independent Adviser with respect to any Successor Rate or Alternative Rate (as applicable) or any other changes and shall be entitled to rely conclusively on any certifications provided to each of them in this regard.

In connection with any such variation in accordance with this Condition 4(l)(i)(D), the Issuer shall comply with the rules of any stock exchange on which the Perpetual Capital Securities are for the time being listed or admitted to trading.

(E) Notices

Any Successor Rate, Alternative Rate, Adjustment Spread and the specific terms of any Benchmark Amendments, determined under this Condition 4(l)(i) will be notified promptly by the Issuer to the Trustee, the Calculation Agent, the Paying Agents and, in accordance with Condition 16, the Securityholders or the Couponholders. Such notice shall be irrevocable and shall specify the effective date of the Benchmark Amendments, if any.

No later than notifying the Securityholders of the same, the Issuer shall deliver to the Trustee a certificate signed by two authorised signatories of the Issuer:

(x) confirming

- (1) that a Benchmark Event has occurred,
- (2) the Successor Rate or, as the case may be, the Alternative Rate,
- (3) the applicable Adjustment Spread, and
- (4) the specific terms of the Benchmark Amendments (if any),

in each case as determined in accordance with the provisions of this Condition 4(l)(i); and

(y) certifying that the Benchmark Amendments (if any) are necessary to ensure the proper operation of such Successor Rate or Alternative Rate and (in either case) the applicable Adjustment Spread.

The Trustee shall be entitled to rely on such certificate (without liability to any person) as sufficient evidence thereof. The Successor Rate, Alternative Rate, the Adjustment Spread or the Benchmark Amendments (if any) specified in such certificate will (in the absence of manifest error or bad faith in the determination of the Successor Rate, Alternative Rate, the Adjustment Spread or the Benchmark Amendments (if any) and without prejudice to the Trustee's ability to rely on such certificate as aforesaid) be binding on the Issuer, the Trustee, the Calculation Agent, the Paying Agents, the Securityholders and Couponholders.

(F) Survival of Original Reference Rate

Without prejudice to the obligations of the Issuer under Condition 4(l)(i)(A), 4(l)(i)(B), 4(l)(i)(C) and 4(l)(i)(D), the Original Reference Rate and the fallback provisions provided for in Condition 4(b)(iii)(B) or (C), as applicable, will continue to apply unless and until a Benchmark Event has occurred.

(G) Definitions:

As used in this Condition 4(l)(i):

**“Adjustment Spread”** means either

- (i) a spread (which may be positive, negative or zero) or
- (ii) a formula or methodology for calculating a spread, in each case to be applied to the Successor Rate or the Alternative Rate (as the case may be) and is the spread, formula or methodology which:
  - (x) in the case of a Successor Rate, is formally recommended in relation to the replacement of the Original Reference Rate with the Successor Rate by any Relevant Nominating Body; or (if no such recommendation has been made, or in the case of an Alternative Rate);
  - (y) the Independent Adviser determines, as being customarily applied to the relevant Successor Rate or the Alternative Rate (as the case may be) in international debt capital markets transactions to produce an industry-accepted replacement rate for the Original Reference Rate; or (if the Independent Adviser determines that no such spread is customarily applied);
  - (z) the Independent Adviser (in consultation with the Issuer) determines, and which is recognised or acknowledged as being the industry standard for over-the-counter derivative transactions which reference the Original Reference Rate, where such rate has been replaced by the Successor Rate or the Alternative Rate (as the case may be).

**“Alternative Rate”** means an alternative benchmark or screen rate which the Independent Adviser determines in accordance with Condition 4(l)(i)(B) is customarily applied in international debt capital markets transactions for the purposes of determining rates of interest (or the relevant component part thereof) in the same Specified Currency as the Perpetual Capital Securities.

**“Benchmark Amendments”** has the meaning given to it in Condition 4(l)(i)(D).

**“Benchmark Event”** means:

- (i) the Original Reference Rate ceasing to be published for a period of at least five Business Days or ceasing to exist; or
- (ii) a public statement by the administrator of the Original Reference Rate that it has ceased or that it will, cease publishing the Original Reference Rate permanently or indefinitely (in circumstances where no successor administrator has been appointed that will continue publication of the Original Reference Rate); or
- (iii) a public statement by the supervisor of the administrator of the Original Reference Rate, that the Original Reference Rate has been or will, be permanently or indefinitely discontinued; or



- (iv) a public statement by the supervisor of the administrator of the Original Reference Rate as a consequence of which the Original Reference Rate will be prohibited from being used either generally, or in respect of the Perpetual Capital Securities, in each case within the following six months; or
- (v) a public statement by the supervisor of the administrator of the Original Reference Rate that the Original Reference Rate is or will be (or is or will be deemed by such supervisor to be) no longer representative of its relevant underlying market; or
- (vi) it has become unlawful for any Paying Agent, Calculation Agent, the Issuer or other party to calculate any payments due to be made to any Securityholder using the Original Reference Rate,

provided that the Benchmark Event shall be deemed to occur (a) in the case of sub-paragraphs (ii) and (iii) above, on the date of the cessation of publication of the Original Reference Rate or the discontinuation of the Original Reference Rate, as the case may be, (b) in the case of sub-paragraph (iv) above, on the date of the prohibition of use of the Original Reference Rate and (c) in the case of sub-paragraph (v) above, on the date with effect from which the Original Reference Rate will no longer be (or will be deemed by the relevant supervisor to no longer be) representative of its relevant underlying market and which is specified in the relevant public statement, and, in each case, not the date of the relevant public statement.

The occurrence of a Benchmark Event shall be determined by the Issuer and promptly notified to the Trustee, the Calculation Agent and the Paying Agents. For the avoidance of doubt, neither the Trustee, the Calculation Agent nor the Paying Agents shall have any responsibility for making such determination.

**“Independent Adviser”** means an independent financial institution of international repute or an independent financial adviser with appropriate expertise appointed by and at the expense of the Issuer under Condition 4(l)(i)(A).

**“Original Reference Rate”** means the originally-specified benchmark or screen rate (as applicable) used to determine the Rate of Distribution (or any component part thereof) on the Perpetual Capital Securities.

**“Relevant Nominating Body”** means, in respect of a benchmark or screen rate (as applicable):

- (i) the central bank for the currency to which the benchmark or screen rate (as applicable) relates, or any central bank or other supervisory authority which is responsible for supervising the administrator of the benchmark or screen rate (as applicable); or
- (ii) any working group or committee sponsored by, chaired or co-chaired by or constituted at the request of:
  - (w) the central bank for the currency to which the benchmark or screen rate (as applicable) relates;

- (x) any central bank or other supervisory authority which is responsible for supervising the administrator of the benchmark or screen rate (as applicable);
- (y) a group of the aforementioned central banks or other supervisory authorities; or
- (z) the Financial Stability Board or any part thereof.

**“Successor Rate”** means a successor to or replacement of the Original Reference Rate which is formally recommended by any Relevant Nominating Body.

*Where the Original Reference Rate for a Series of Perpetual Capital Securities is EURIBOR, the Successor Rate could include the rate (inclusive of any spreads or adjustments) formally recommended by (i) the working group on euro risk free rates established by the European Central Bank, the Financial Services and Markets Authority, the European Securities and Markets Authority and the European Commission, (ii) the European Money Market Institute, as the administrator of EURIBOR, (iii) the competent authority responsible under Regulation (EU) 2016/1011 for supervising the European Money Market Institute, as the administrator of the EURIBOR, or (iv) the national competent authority designated by each Member State under Regulation (EU) 2016/1011, or (v) the European Central Bank.*

(ii) Benchmark Discontinuation (ARRC)

*This Condition 4(l)(ii) shall only apply to U.S. dollar-denominated Perpetual Capital Securities where so specified in the applicable Pricing Supplement.*

Where the Pricing Supplement specifies this Condition 4(l)(ii) as applicable:

(A) Benchmark Replacement

If the Issuer or its designee determines that a Benchmark Transition Event and its related Benchmark Replacement Date have occurred prior to the Reference Time in respect of any determination of the Benchmark on any date, the Benchmark Replacement will replace the then-current Benchmark for all purposes relating to the Perpetual Capital Securities in respect of such determination on such date and all determinations on all subsequent dates.

(B) Benchmark Replacement Conforming Changes

In connection with the implementation of a Benchmark Replacement, the Issuer or its designee will have the right to make Benchmark Replacement Conforming Changes from time to time. For the avoidance of doubt, the Trustee and the Issuing and Paying Agent shall, at the direction and expense of the Issuer, effect such consequential amendments to the Trust Deed, the Agency Agreement and these Conditions as may be required to give effect to this Condition 4(l)(ii)(B). Securityholders' consent shall not be required in connection with the effecting of any such changes, including the execution of any documents or any steps by the Trustee or the Issuing and Paying Agent (if required). Further, none of the Trustee, the Calculation Agent, the Paying Agents, the Registrars or the Transfer Agents shall be responsible or liable for any determinations, decisions or elections made by the Issuer or its

designee with respect to any Benchmark Replacement or any other changes and shall be entitled to rely conclusively on any certifications provided to each of them in this regard.

(C) Decisions and Determinations

Any determination, decision or election that may be made by the Issuer or its designee pursuant to this Condition 4(l)(ii), including any determination with respect to a tenor, rate or adjustment or of the occurrence or non-occurrence of an event, circumstance or date and any decision to take or refrain from taking any action or any selection, will be conclusive and binding absent manifest error, may be made in the Issuer or its designee's sole discretion, and, notwithstanding anything to the contrary in the documentation relating to the Perpetual Capital Securities, shall become effective without consent from any other party.

(D) Definitions

As used in this Condition 4(l)(ii):

**"Benchmark"** means, initially, LIBOR; provided that if a Benchmark Transition Event and its related Benchmark Replacement Date have occurred with respect to LIBOR or the then-current Benchmark, then **"Benchmark"** means the applicable Benchmark Replacement;

**"Benchmark Replacement"** means the Interpolated Benchmark; provided that if the Issuer or its designee cannot determine the Interpolated Benchmark as of the Benchmark Replacement Date, then **"Benchmark Replacement"** means the first alternative set forth in the order below that can be determined by the Issuer or its designee as of the Benchmark Replacement Date:

(i) the sum of:

- (x) Term SOFR; and
- (y) the Benchmark Replacement Adjustment;

(ii) the sum of:

- (x) Compounded SOFR; and
- (y) the Benchmark Replacement Adjustment;

(iii) the sum of:

- (x) the alternate rate of distribution that has been selected or recommended by the Relevant Governmental Body as the replacement for the then-current Benchmark for the applicable Corresponding Tenor; and
- (y) the Benchmark Replacement Adjustment;

- (iv) the sum of:
  - (x) the ISDA Fallback Rate; and
  - (y) the Benchmark Replacement Adjustment;
- (v) the sum of:
  - (x) the alternate rate of distribution that has been selected by the Issuer or its designee as the replacement for the then-current Benchmark for the applicable Corresponding Tenor giving due consideration to any industry-accepted rate of interest as a replacement for the then-current Benchmark for U.S. dollar denominated floating rate securities at such time; and
  - (y) the Benchmark Replacement Adjustment;

**“Benchmark Replacement Adjustment”** means the first alternative set forth in the order below that can be determined by the Issuer or its designee as of the Benchmark Replacement Date:

- (i) the spread adjustment, or method for calculating or determining such spread adjustment (which may be a positive or negative value or zero) that has been selected or recommended by the Relevant Governmental Body for the applicable Unadjusted Benchmark Replacement;
- (ii) if the applicable Unadjusted Benchmark Replacement is equivalent to the ISDA Fallback Rate, then the ISDA Fallback Adjustment;
- (iii) the spread adjustment (which may be a positive or negative value or zero) that has been selected by the Issuer or its designee giving due consideration to any industry-accepted spread adjustment, or method for calculating or determining such spread adjustment, for the replacement of the then-current Benchmark with the applicable Unadjusted Benchmark Replacement for U.S. dollar-denominated floating rate securities at such time;

**“Benchmark Replacement Conforming Changes”** means, with respect to any Benchmark Replacement, any technical, administrative or operational changes (including changes to the definition of “Distribution Period” or “Distribution Accrual Period”, timing and frequency of determining rates and making payments of distribution, changes to the definition of “Corresponding Tenor” solely when such tenor is longer than the Distribution Period and other administrative matters) that the Issuer or its designee decides may be appropriate to reflect the adoption of such Benchmark Replacement in a manner substantially consistent with market practice (or, if the Issuer or its designee decides that adoption of any portion of such market practice is not administratively feasible or if the Issuer or its designee determines that no market practice for use of the Benchmark Replacement exists, in such other manner as the Issuer or its designee determines is reasonably necessary).

**“Benchmark Replacement Date”** means the earliest to occur of the following events with respect to the then-current Benchmark:

- (i) in the case of sub-clauses (i) or (ii) of the definition of “Benchmark Transition Event,” the later of:
  - (x) the date of the public statement or publication of information referenced therein; and
  - (y) the date on which the administrator of the Benchmark permanently or indefinitely ceases to provide the Benchmark; or
- (ii) in the case of sub-clause (iii) of the definition of “Benchmark Transition Event,” the date of the public statement or publication of information referenced therein;

For the avoidance of doubt, if the event giving rise to the Benchmark Replacement Date occurs on the same day as, but earlier than, the Reference Time in respect of any determination, the Benchmark Replacement Date will be deemed to have occurred prior to the Reference Time for such determination;

**“Benchmark Transition Event”** means the occurrence of one or more of the following events with respect to the then-current Benchmark:

- (i) a public statement or publication of information by or on behalf of the administrator of the Benchmark announcing that such administrator has ceased or will cease to provide the Benchmark, permanently or indefinitely, provided that, at the time of such statement or publication, there is no successor administrator that will continue to provide the Benchmark;
- (ii) a public statement or publication of information by the regulatory supervisor for the administrator of the Benchmark, the central bank for the currency of the Benchmark, an insolvency official with jurisdiction over the administrator for the Benchmark, a resolution authority with jurisdiction over the administrator for the Benchmark or a court or an entity with similar insolvency or resolution authority over the administrator for the Benchmark, which states that the administrator of the Benchmark has ceased or will cease to provide the Benchmark permanently or indefinitely, provided that, at the time of such statement or publication, there is no successor administrator that will continue to provide the Benchmark; or
- (iii) a public statement or publication of information by the regulatory supervisor for the administrator of the Benchmark announcing that the Benchmark is no longer representative;

**“Compounded SOFR”** means the compounded average of SOFRs for the applicable Corresponding Tenor, with the rate, or methodology for this rate, and conventions for this rate (which will be compounded in arrears with a lookback and/or suspension period as a mechanism to determine the distribution amount payable prior to the end of each Distribution Period) being established by the Issuer or its designee in accordance with:

- (i) the rate, or methodology for this rate, and conventions for this rate selected or recommended by the Relevant Governmental Body for determining compounded SOFR; provided that:
- (ii) if, and to the extent that, the Issuer or its designee determines that Compounded SOFR cannot be determined in accordance with sub-clause (i) of this definition of “Compounded SOFR”, then the rate, or methodology for this rate, and conventions for this rate that have been selected by the Issuer or its designee giving due consideration to any industry-accepted market practice for U.S. dollar denominated floating rate securities at such time.

Notwithstanding the foregoing, Compounded SOFR will include such lookback and/or suspension period as specified in the applicable Pricing Supplement as a mechanism to determine the distribution amount payable prior to the end of each Distribution Period;

**“Corresponding Tenor”**, with respect to a Benchmark Replacement, means a tenor (including overnight) having approximately the same length (disregarding business day adjustment) as the applicable tenor for the then-current Benchmark;

**“designee”** means a designee as selected and separately appointed by the Issuer in writing;

**“Federal Reserve Bank of New York’s Website”** means the website of the Federal Reserve Bank of New York at <http://www.newyorkfed.org> or any successor source;

**“Interpolated Benchmark”**, with respect to the Benchmark, means the rate determined for the Corresponding Tenor by interpolating on a linear basis between:

- (i) the Benchmark for the longest period (for which the Benchmark is available) that is shorter than the Corresponding Tenor; and
- (ii) the Benchmark for the shortest period (for which the Benchmark is available) that is longer than the Corresponding Tenor;

**“ISDA Definitions”** means the 2006 ISDA Definitions published by the International Swaps and Derivatives Association, Inc. or any successor thereto, as amended or supplemented from time to time, or any successor definitional booklet for interest rate derivatives published from time to time;

**“ISDA Fallback Adjustment”** means the spread adjustment, (which may be a positive or negative value or zero) that would apply for derivatives transactions referencing the ISDA Definitions to be determined upon the occurrence of an index cessation event with respect to the Benchmark for the applicable tenor;

**“ISDA Fallback Rate”** means the rate that would apply for derivatives transactions referencing the ISDA Definitions to be effective upon the occurrence of an index cessation date with respect to the Benchmark for the applicable tenor excluding the applicable ISDA Fallback Adjustment;

**“LIBOR”** means the London Interbank Offered Rate;

**“Reference Time”**, with respect to any determination of the Benchmark, means:

- (i) if the Benchmark is LIBOR, 11:00 a.m. (London time) on the day that is two London Business Days preceding the date of such determination; and
- (ii) if the Benchmark is not LIBOR, the time determined by the Issuer or its designee in accordance with the Benchmark Replacement Conforming Changes;

**“Relevant Governmental Body”** means the Federal Reserve Board and/or the Federal Reserve Bank of New York, or a committee officially endorsed or convened by the Federal Reserve Board and/or the Federal Reserve Bank of New York or any successor thereto;

**“SOFR”**, with respect to any day, means the secured overnight financing rate published for such day by the Federal Reserve Bank of New York, as the administrator of the benchmark, (or a successor administrator) on the Federal Reserve Bank of New York’s Website;

**“Term SOFR”** means the forward-looking term rate for the applicable Corresponding Tenor based on SOFR that has been selected or recommended by the Relevant Governmental Body; and

**“Unadjusted Benchmark Replacement”** means the Benchmark Replacement excluding the Benchmark Replacement Adjustment.

- (iii) Benchmark Discontinuation (SOR)

*This Condition 4(l)(iii) shall only apply to Singapore dollar-denominated Perpetual Capital Securities where so specified in the applicable Pricing Supplement.*

Where the Pricing Supplement specifies this Condition 4(l)(iii) as applicable:

- (A) Benchmark Replacement: If the Issuer or its Designee determines that a Benchmark Transition Event and its related Benchmark Replacement Date have occurred prior to the Reference Time in respect of any determination of the Benchmark on any date, the Benchmark Replacement will replace the then-current Benchmark for all purposes relating to the Perpetual Capital Securities in respect of such determination on such date and all determinations on all subsequent dates.

- (B) **Benchmark Replacement Conforming Changes:** In connection with the implementation of a Benchmark Replacement, the Issuer or its Designee will have the right to make Benchmark Replacement Conforming Changes from time to time. For the avoidance of doubt, the Trustee and the Issuing and Paying Agent shall, at the direction and expense of the Issuer, effect such consequential amendments to the Trust Deed, the Agency Agreement and these Conditions as may be required to give effect to this Condition 4(l)(iii)(B). Securityholders' consent shall not be required in connection with the effecting of any such changes, including the execution of any documents or any steps by the Trustee or the Issuing and Paying Agent (if required). Further, none of the Trustee, the Calculation Agent, the Paying Agents, the Registrars or the Transfer Agents shall be responsible or liable for any determinations, decisions or elections made by the Issuer or its Designee with respect to any Benchmark Replacement or any other changes and shall be entitled to rely conclusively on any certifications provided to each of them in this regard.
- (C) **Decisions and Determinations:** The Issuer or its Designee shall act in good faith and in a commercially reasonable manner when making any determination including any determination with respect to a tenor, rate or adjustment or of the occurrence or non-occurrence of an event, circumstance or date and any decision to take or refrain from taking any action or any selection. The determination of the Issuer or its Designee will be conclusive and binding absent manifest error and shall become effective without consent from any other party.

Any determination, decision or election that may be made by the Issuer or its Designee pursuant to this Condition 4(l)(iii), including any determination with respect to a tenor, rate or adjustment or of the occurrence or non-occurrence of an event, circumstance or date and any decision to take or refrain from taking any action or any selection, will be conclusive and binding absent manifest error, may be made in the Issuer or its Designee's sole discretion, and, notwithstanding anything to the contrary in the documentation relating to the Perpetual Capital Securities, shall become effective without consent from any other party.

- (D) **Definitions:** As used in this Condition 4(l)(iii):

**"Adjusted SOR"** means (i) if the Benchmark is SOR, the synthetic rate for deposits in Singapore dollars for the Corresponding Tenor calculated based on actual transactions in the U.S. dollar to Singapore dollar foreign exchange swap market and a U.S. dollar interest rate calculated pursuant to the methodology used to calculate fallbacks for U.S. dollar LIBOR of the same Corresponding Tenor in the ISDA Definitions (inclusive of, for the avoidance of doubt, any spread adjustment (which may be a positive or negative value or zero) that would apply for derivatives transactions referencing the ISDA Definitions to be determined upon the occurrence of an index cessation event with respect to U.S. dollar LIBOR for the applicable Corresponding Tenor), and (ii) if the Benchmark is not SOR, the ISDA Fallback Rate;

**"Alternative Rate"** means an alternative benchmark or screen rate which the Independent Adviser, in consultation with the Issuer, determines as being customarily applied in market usage in debt capital markets transactions for the purposes of determining rates of interest (or the relevant component part thereof) in Singapore dollars;



**“Benchmark”** means, initially, SOR (being the originally-specified Reference Rate used to determine the Rate of Distribution), provided that if a Benchmark Transition Event and its related Benchmark Replacement Date have occurred with respect to SOR or the then-current Benchmark, then **“Benchmark”** means the applicable Benchmark Replacement;

**“Benchmark Replacement”** means the Interpolated Benchmark, provided that if the Issuer or its Designee cannot determine the Interpolated Benchmark as of the Benchmark Replacement Date, then **“Benchmark Replacement”** means the first alternative set forth in the order below that can be determined by the Issuer or its Designee as of the Benchmark Replacement Date:

- (i) the sum of:
  - (x) the alternate rate of Distribution that has been selected or recommended by the Relevant Governmental Body or Relevant Nominating Body as the replacement for the then-current Benchmark for the applicable Corresponding Tenor; and
  - (y) the Benchmark Replacement Adjustment;
- (ii) the sum of:
  - (x) Adjusted SOR and (only if the Benchmark is not SOR); and
  - (y) the Benchmark Replacement Adjustment;
- (iii) the sum of:
  - (x) the Alternative Rate; and
  - (y) the Benchmark Replacement Adjustment.

**“Benchmark Replacement Adjustment”** means the first alternative set forth in the order below that can be determined by the Issuer or its Designee as of the Benchmark Replacement Date:

- (i) the spread adjustment, or method for calculating or determining such spread adjustment (which may be a positive or negative value or zero) that has been selected or recommended by the Relevant Governmental Body for the applicable Unadjusted Benchmark Replacement;
- (ii) if the applicable Unadjusted Benchmark Replacement is equivalent to the ISDA Fallback Rate, then the ISDA Fallback Adjustment;
- (iii) the spread adjustment that has been selected by the Issuer or its Designee having given due consideration to any industry-accepted spread adjustment, or method for calculating or determining such spread adjustment, for the replacement of the then-current Benchmark with the applicable Unadjusted Benchmark Replacement for Singapore dollar-denominated floating rate perpetual capital securities at such time;

**“Benchmark Replacement Conforming Changes”** means, with respect to any Benchmark Replacement, any technical, administrative or operational changes (including changes to the definition of “Distribution Period” or “Distribution Accrual Period”, timing and frequency of determining rates and making payments of distribution, changes to the definition of “Corresponding Tenor” solely when such tenor is longer than the Distribution Period and other administrative matters) that the Issuer or its Designee decides may be appropriate to reflect the adoption of such Benchmark Replacement in a manner substantially consistent with market practice (or, if the Issuer or its Designee decides that adoption of any portion of such market practice is not administratively feasible or if the Issuer or its Designee determines that no market practice for use of such Benchmark Replacement exists, in such other manner as the Issuer or its Designee determines is reasonably necessary);

**“Benchmark Replacement Date”** means the earliest to occur of the following events with respect to the then-current Benchmark:

- (i) in the case of sub-clause (i) or (ii) of the definition of “Benchmark Transition Event”, the later of:
  - (x) the date of the public statement or publication of information referenced therein; and
  - (y) the date on which the administrator of the Benchmark permanently or indefinitely ceases to provide the Benchmark; or
- (ii) in the case of sub-clause (iii) of the definition of “Benchmark Transition Event”, the date of the public statement or publication of information referenced therein.

For the avoidance of doubt, if the event giving rise to the Benchmark Replacement Date occurs on the same day as, but earlier than, the Reference Time in respect of any determination, the Benchmark Replacement Date will be deemed to have occurred prior to the Reference Time for such determination;

**“Benchmark Transition Event”** means the occurrence of one or more of the following events with respect to the then-current Benchmark:

- (i) a public statement or publication of information by or on behalf of the administrator of the Benchmark announcing that such administrator has ceased or will cease to provide the Benchmark permanently or indefinitely, provided that, at the time of such statement or publication, there is no successor administrator that will continue to provide the Benchmark;
- (ii) a public statement or publication of information by the regulatory supervisor for the administrator of the Benchmark, the central bank for Singapore dollar, an insolvency official with jurisdiction over the administrator of the Benchmark, a resolution authority with jurisdiction over the administrator of the Benchmark or a court or an entity with similar insolvency or resolution authority over the administrator of the Benchmark, which states that the administrator of the Benchmark has ceased or will cease to provide the Benchmark permanently or indefinitely, provided that, at the time of such statement or publication, there is no successor administrator that will continue to provide the Benchmark; or

- (iii) a public statement or publication of information by the regulatory supervisor for the administrator of the Benchmark announcing that the Benchmark is no longer representative;

**“Corresponding Tenor”**, with respect to a Benchmark Replacement, means a tenor (including overnight) having approximately the same length (disregarding business day adjustment) as the applicable tenor for the then-current Benchmark;

**“Designee”** means a designee as selected and separately appointed by the Issuer in writing, which may include a subsidiary or affiliate of the Issuer or an Independent Adviser;

**“Independent Adviser”** means an independent financial institution of international repute or an independent financial adviser with appropriate expertise appointed by and at the expense of the Issuer under this Condition 4(l)(iii);

**“Interpolated Benchmark”**, with respect to the Benchmark, means the rate determined for the Corresponding Tenor by interpolating on a linear basis between:

- (i) the Benchmark for the longest period (for which the Benchmark is available) that is shorter than the Corresponding Tenor;
- (ii) the Benchmark for the shortest period (for which the Benchmark is available) that is longer than the Corresponding Tenor;

**“ISDA Definitions”** means the 2006 ISDA Definitions published by the International Swaps and Derivatives Association Inc. or any successor thereto, as may be updated, amended or supplemented from time to time, or any successor definitional booklet for interest rate derivatives published from time to time;

**“ISDA Fallback Adjustment”** means the spread adjustment (which may be a positive or negative value or zero) that would apply for derivative transactions referencing the ISDA Definitions to be determined upon the occurrence of an index cessation event with respect to the Benchmark for the applicable tenor;

**“ISDA Fallback Rate”** means the rate that would apply for derivative transactions referencing the ISDA Definitions to be effective upon the occurrence of an index cessation event with respect to the Benchmark for the applicable tenor excluding the applicable ISDA Fallback Adjustment;

**“LIBOR”** means London Interbank Offered Rate;

**“Reference Time”** with respect to any determination of the Benchmark means (1) if the Benchmark is SOR, 11:00 a.m. (London time) on the day that is two Singapore business days preceding the date of such determination, and (2) if the Benchmark is not SOR, the time determined by the Issuer or its Designee in accordance with the Benchmark Replacement Conforming Changes;

**“Relevant Governmental Body”** means the Monetary Authority of Singapore or any successor thereto;

**“Relevant Nominating Body”** means the Association of Banks in Singapore or any successor thereto; and

**“Unadjusted Benchmark Replacement”** means the Benchmark Replacement excluding the Benchmark Replacement Adjustment.

(iv) Benchmark Discontinuation (SORA)

*This Condition 4(l)(iv) shall only apply to Singapore dollar-denominated Perpetual Capital Securities where so specified in the applicable Pricing Supplement.*

Where the Pricing Supplement specifies this Condition 4(l)(iv) as applicable:

- (A) Independent Adviser: If a SORA Index Cessation Event occurs in relation to an Original Reference Rate when any Rate of Distribution (or any component part thereof) remains to be determined by reference to such Original Reference Rate, the Issuer shall use its reasonable endeavours to appoint an Independent Adviser, as soon as reasonably practicable, to determine a Successor Rate, or failing which, an Alternative Rate (in accordance with Condition 4(l)(iv)(C) and, in either case, an Adjustment Spread and any Benchmark Amendments (in accordance with Condition 4(l)(iv)(D)).

In making such determination, the Independent Adviser appointed pursuant to this Condition 4(l)(iv) shall act in good faith as an expert and in consultation with the Issuer. In the absence of bad faith or fraud, the Independent Adviser shall have no liability whatsoever to the Issuer, the Trustee, the Paying Agents or the Securityholders for any determination made by it, pursuant to this Condition 4(l)(iv).

If:

- (i) the Issuer is unable to appoint an Independent Adviser; or
- (ii) the Independent Adviser fails to determine a Successor Rate or, failing which, an Alternative Rate, in accordance with this Condition 4(l)(iv)(A) prior to the relevant Distribution Determination Date, the Rate of Distribution applicable to the next succeeding Distribution Accrual Period shall be equal to the Rate of Distribution last determined in relation to the Perpetual Capital Securities in respect of the immediately preceding Distribution Accrual Period. If there has not been a first Distribution Payment Date, the Rate of Distribution shall be the initial Rate of Distribution which would have been applicable to the Series of Perpetual Capital Securities for the first Distribution Accrual Period had the Perpetual Capital Securities been in issue for a period equal in duration to the scheduled first Distribution Accrual Period but ending on (and excluding) the Distribution Commencement Date. Where a different Margin or Maximum or Minimum Rate of Distribution is to be applied to the relevant Distribution Accrual Period from that which applied to the last preceding Distribution Accrual Period, the Margin or Maximum or Minimum Rate of Distribution relating to the relevant Distribution Accrual Period shall be substituted in place of the Margin or Maximum or Minimum Rate of Distribution relating to that last preceding Distribution Accrual Period. For the avoidance of doubt, this paragraph shall apply to the relevant next succeeding Distribution Accrual Period only and any subsequent Distribution Accrual Periods are subject to the subsequent operation of, and to adjustment as provided in, the first paragraph of this Condition 4(l)(iv)(A).

- (B) Successor Rate or Alternate Rate: If the Independent Adviser determines that:
- (i) there is a Successor Rate, then such Successor Rate and the applicable Adjustment Spread shall subsequently be used in place of the Original Reference Rate to determine the Rate of Distribution (or the relevant component part thereof) for all future payments of distribution on the Perpetual Capital Securities (subject to the operation of this Condition 4(l)(iv)); or
  - (ii) there is no Successor Rate but that there is an Alternative Rate, then such Alternative Rate and the applicable Adjustment Spread shall subsequently be used in place of the Original Reference Rate to determine the Rate of Distribution (or the relevant component part thereof) for all future payments of distribution on the Perpetual Capital Securities (subject to the operation of this Condition 4(l)(iv)).
- (C) Adjustment Spread: The Adjustment Spread (or the formula or methodology for determining the Adjustment Spread) shall be applied to the Successor Rate or the Alternative Rate (as the case may be). If the Independent Adviser (in consultation with the Issuer) is unable to determine the quantum of, or a formula or methodology for determining such Adjustment Spread, then the Successor Rate or Alternative Rate (as applicable) will apply without an Adjustment Spread.
- (D) Benchmark Amendments: If any Successor Rate or Alternative Rate and, in either case, the applicable Adjustment Spread is determined in accordance with this Condition 4(l)(iv) and the Independent Adviser (in consultation with the Issuer) determines:
- (i) that amendments to these Conditions and/or the Trust Deed are necessary to ensure the proper operation of such Successor Rate or Alternative Rate and/or (in either case) the applicable Adjustment Spread (such amendments, the “**Benchmark Amendments**”); and
  - (ii) the terms of the Benchmark Amendments, then the Issuer shall, subject to giving notice thereof in accordance with Condition 4(l)(iv)(E), without any requirement for the consent or approval of Securityholders, the Trustee or the Agents, vary these Conditions and/or the Trust Deed to give effect to such Benchmark Amendments with effect from the date specified in such notice.

At the request of the Issuer, but subject to receipt by the Trustee of a certificate signed by two authorised signatories of the Issuer pursuant to Condition 4(l)(iv)(E), the Trustee shall (at the expense of the Issuer), without any requirement for the consent or approval of the Securityholders, be obliged to concur with the Issuer in effecting any Benchmark Amendments (including, inter alia, by the execution of a deed supplemental to or amending the Trust Deed), provided that the Trustee shall not be obliged so to concur if in the opinion of the Trustee doing so would impose more onerous obligations upon it or expose it to any additional duties, responsibilities or liabilities or reduce or amend

the protective provisions afforded to the Trustee in these Conditions or the Trust Deed (including, for the avoidance of doubt, any supplemental trust deed) in any way.

For the avoidance of doubt, the Trustee and the Issuing and Paying Agent shall, at the direction and expense of the Issuer, effect such consequential amendments to the Trust Deed, the Agency Agreement and these Conditions as may be required in order to give effect to this Condition 4(l)(iv)(D). Securityholders' consent shall not be required in connection with effecting of the Successor Rate or the Alternative Rate (as applicable) or such other changes, including the execution of any documents or any steps by the Trustee or the Issuing and Paying Agent (if required). Further, none of the Trustee, Calculation Agent, Paying Agents, Registrars or the Transfer Agents shall be responsible or liable for any determinations or certifications made by the Issuer or Independent Adviser with respect to any Successor Rate or Alternative Rate (as applicable) or any other changes and shall be entitled to rely conclusively on any certifications provided to each of them in this regard.

In connection with any such variation in accordance with this Condition 4(l)(iv)(D), the Issuer shall comply with the rules of any stock exchange on which the Perpetual Capital Securities are for the time being listed or admitted to trading.

- (E) Notices: Any Successor Rate, Alternative Rate, Adjustment Spread and the specific terms of any Benchmark Amendments, determined under this Condition 4(l)(iv) will be notified promptly by the Issuer to the Trustee, the Calculation Agent, the Paying Agents and, in accordance with Condition 16, the Securityholders and the Couponholders. Such notice shall be irrevocable and shall specify the effective date of the Benchmark Amendments, if any.

No later than notifying the Trustee of the same, the Issuer shall deliver to the Trustee a certificate signed by two authorised signatories of the Issuer:

(x) confirming:

- (I) that a SORA Index Cessation Event has occurred;
- (II) the Successor Rate or, as the case may be, the Alternative Rate;
- (III) the applicable Adjustment Spread;
- (IV) the specific terms of the Benchmark Amendments (if any),

in each case as determined in accordance with the provisions of this Condition 4(l)(iv); and

- (y) certifying that the Benchmark Amendments (if any) are necessary to ensure the proper operation of such Successor Rate or Alternative Rate and (in either case) the applicable Adjustment Spread.

The Trustee shall be entitled to rely on such certificate (without liability to any person) as sufficient evidence thereof. The Successor Rate or Alternative Rate and the Adjustment Spread and the Benchmark Amendments (if any) specified in such certificate will (in the absence of manifest error or bad faith in the determination of the Successor Rate, Alternative Rate, the Adjustment Spread or the Benchmark Amendments (if any) and without prejudice to the Trustee's ability to rely on such certificate as aforesaid) be binding on the Issuer, the Trustee, the Calculation Agent, the Paying Agents and the Securityholders.

(F) Definitions:

As used in this Condition 4(l)(iv):

**"Adjustment Spread"** means either:

- (a) a spread (which may be positive, negative or zero); or
- (b) a formula or methodology for calculating a spread, in each case to be applied to the Successor Rate or the Alternative Rate (as the case may be) and is the spread, formula or methodology which:
  - (i) in the case of a Successor Rate, is formally recommended in relation to the replacement of the Original Reference Rate with the Successor Rate by any Relevant Nominating Body; or (if no such recommendation has been made, or in the case of an Alternative Rate);
  - (ii) the Independent Adviser determines as being customarily applied to the relevant Successor Rate or the Alternative Rate (as the case may be) in debt capital markets transactions to produce an industry-accepted replacement rate for the Original Reference Rate; or (if the Independent Adviser determines that no such spread is customarily applied);
  - (iii) the Independent Adviser (in consultation with the Issuer) determines, and which is recognised or acknowledged as being the industry standard for over-the-counter derivative transactions which reference the Original Reference Rate, where such rate has been replaced by the Successor Rate or the Alternative Rate (as the case may be);

**"Alternative Rate"** means an alternative benchmark or screen rate which the Independent Adviser, determines in accordance with Condition 4(l)(iv)(B) as being customarily applied in market usage in debt capital markets transactions for the purposes of determining rates of interest (or the relevant component part thereof) in Singapore Dollars;

**"Benchmark Amendments"** has the meaning given to it in Condition 4(l)(iv)(D);

**"Independent Adviser"** means an independent financial institution of international repute or an independent financial adviser with appropriate expertise appointed by the Issuer under Condition 4(l)(iv)(A);

**“Original Reference Rate”** means, initially, SORA (being the originally-specified benchmark rate used to determine Compounded Daily SORA and the Rate of Distribution), provided that if a SORA Index Cessation Event has occurred with respect to SORA or the then-current Original Reference Rate, then **“Original Reference Rate”** means the applicable Successor Rate or Alternative Rate (as the case may be).

**“Relevant Nominating Body”** means:

- (a) the Monetary Authority of Singapore (or any successor administrator of the Original Reference Rate); or
- (b) any working group or committee officially sponsored or endorsed by, chaired or co-chaired by or constituted at the request of the Monetary Authority of Singapore (or any successor administrator of the Original Reference Rate).

**“SORA Index Cessation Event”** means the occurrence of one or more of the following events:

- (i) the Original Reference Rate ceasing to be published for a period of at least five Singapore Business Days or ceasing to exist; or
- (ii) a public statement or publication of information by or on behalf of the Monetary Authority of Singapore (or a successor administrator of the Original Reference Rate), the regulatory supervisor for the administrator of the Original Reference Rate, the central bank for the currency of the Original Reference Rate, an insolvency official with jurisdiction over the administrator of the Original Reference Rate, a resolution authority with jurisdiction over the administrator of the Original Reference Rate or a court or an entity with similar insolvency or resolution authority over the administrator of the Original Reference Rate, announcing that the administrator of the Original Reference Rate has ceased or will cease to provide the Original Reference Rate permanently or indefinitely, provided that, at the time of the statement or publication, there is no successor administrator that will continue to provide the Original Reference Rate; or
- (iii) a public statement or publication of information by the regulatory supervisor for the administrator of the Original Reference Rate announcing that the Original Reference Rate has been or will be permanently or indefinitely discontinued; or
- (iv) a public statement or publication of information by or on behalf of the Monetary Authority of Singapore (or the supervisor of a successor administrator of the Original Reference Rate) as a consequence of which the Original Reference Rate will be prohibited from being used either generally, or in respect of the Perpetual Capital Securities; or
- (v) a public statement by or on behalf of the Monetary Authority of Singapore (or the supervisor of a successor administrator of the Original Reference Rate) that the Original Reference Rate is or will be (or is or will be deemed by such supervisor to be) no longer representative of its relevant underlying market,



provided that the SORA Index Cessation Event shall be deemed to occur (a) in the case of sub-paragraphs (ii) and (iii) above, on the date of the cessation of publication of the Original Reference Rate or the discontinuation of the Original Reference Rate, as the case may be, (b) in the case of sub-paragraph (iv) above, on the date of the prohibition of use of the Original Reference Rate and (c) in the case of sub-paragraph (v) above, on the date with effect from which the Original Reference Rate will no longer be (or will be deemed by the relevant supervisor to no longer be) representative of its relevant underlying market and which is specified in the relevant public statement, and, in each case, not the date of the relevant public statement.

The occurrence of a SORA Index Cessation Event shall be determined by the Issuer and promptly notified to the Trustee, the Calculation Agent and the Paying Agents. For the avoidance of doubt, neither the Trustee, the Calculation Agent nor the Paying Agents shall have any responsibility for making such determination; and

**“Successor Rate”** means a successor to or replacement of the Original Reference Rate which is formally recommended by any Relevant Nominating Body as the replacement of the Original Reference Rate (which rate may be produced by the Monetary Authority of Singapore or such other administrator).

(v) Qualification as Additional Tier 1 Capital Securities

Notwithstanding any other provision of Conditions 4(l)(i)(D), 4(l)(ii)(B) or 4(l)(ii)(C), 4(l)(iii)(B) or 4(l)(iii)(C) or 4(l)(iv)(D) (as applicable), no Successor Rate, Alternative Rate or Benchmark Replacement (as the case may be) will be adopted, nor will the applicable Adjustment Spread or Benchmark Replacement Adjustment (as the case may be) be applied, nor will any Benchmark Amendments or Benchmark Replacement Conforming Changes (as the case may be) be made, if and to the extent that, in the determination of the Issuer, the same could reasonably be expected to prejudice the qualification of the Perpetual Capital Securities as Additional Tier 1 Capital Securities and/or the Perpetual Capital Securities as eligible liabilities or loss absorbing capacity instruments for the purposes of any applicable loss absorption regulations.

## 5 Distribution Restrictions

- (a) **Distribution Cancellation:** The Issuer may, at its sole discretion, elect to cancel any Distribution which is otherwise scheduled to be paid on a Distribution Payment Date by giving notice (such notice which shall be conclusive and binding on the Securityholders, a **“Distribution Cancellation Notice”**) of such election to the Securityholders in accordance with Condition 16, the Trustee and the Agents at least 10 Business Days prior to the relevant Distribution Payment Date. The Issuer shall have no obligation to pay any Distribution on any Distribution Payment Date if it validly elects not to do so in accordance with this Condition 5(a) and any failure to pay such Distribution shall not constitute a Default (as described in Condition 11).

- (b) **Non-cumulative Distribution:** If a Distribution is not paid in accordance with Condition 5(a), the Issuer is not under any obligation to pay that or any other Distributions that have not been paid. Such unpaid Distributions are non-cumulative and do not accrue interest. There is no limit on the number of times or the extent of the amount with respect to which the Issuer can elect not to pay Distributions pursuant to this Condition 5.
- (c) **No obligation to pay:** Notwithstanding that a Distribution Cancellation Notice has not been given, the Issuer will not be obliged to pay, and will not pay, any Distribution on the relevant Distribution Payment Date (and such Distribution will not be considered to be due or payable) if:
- (i) the Issuer is prevented by applicable Singapore banking regulations or other requirements of the MAS from making payment in full of dividends or other distributions when due on its Additional Tier 1 Capital Securities;
  - (ii) the Issuer is unable to make such payment of dividends or other distributions on its Additional Tier 1 Capital Securities without causing a breach of the MAS's consolidated or unconsolidated capital adequacy requirements set out in MAS Notice 637; or
  - (iii) the aggregate of the amount of the Distribution (if paid in full), together with the sum of any other dividends and other distributions originally scheduled to be paid (whether or not paid in whole or in part) during the Issuer's then-current fiscal year on the Perpetual Capital Securities or its Additional Tier 1 Capital Securities, would exceed the Distributable Reserves as of the Distributable Reserves Determination Date.

The Issuer shall have no obligation to pay any Distribution on any Distribution Payment Date if such non-payment is in accordance with this Condition 5(c) and any failure to pay such Distribution shall not constitute a Default.

For the purpose of these Conditions:

**"Distributable Reserves"** means, at any time, the amounts for the time being available to the Issuer for distribution as a dividend in compliance with Section 403 of the Companies Act, Chapter 50 of Singapore, as amended or modified from time to time (**"Available Amounts"**) as of the date of the Issuer's latest audited balance sheet; provided that if the Issuer reasonably believes that the Available Amounts as of any Distributable Reserves Determination Date are lower than the Available Amounts as of the date of the Issuer's latest audited balance sheet and are insufficient to pay the Distributions and for payments on its Additional Tier 1 Capital Securities on the relevant Distribution Payment Date, then an authorised signatory of the Issuer will be required to provide a certificate, on or prior to such Distributable Reserves Determination Date, to the Securityholders accompanied by a certificate of the Issuer's auditors for the time being of the Available Amounts as of such Distributable Reserves Determination Date (which certificate of the authorised signatory will be binding absent manifest error) and **"Distributable Reserves"** as of such Distributable Reserves Determination Date for the purposes of such Distribution will mean the Available Amounts as set forth in such certificate; and

**"Distributable Reserves Determination Date"** means, with respect to any Distribution Payment Date, the day falling two business days prior to that Distribution Payment Date.

- (d) **Distributable Reserves:** Any Distribution may only be paid out of Distributable Reserves.
- (e) **Distribution Stopper:** If Distribution Stopper is specified as being applicable in the applicable Pricing Supplement and on any Distribution Payment Date, payment of Distributions scheduled to be made on such date is not made by reason of this Condition 5, the Issuer shall not:
  - (i) declare or pay any dividends or other distributions in respect of its Junior Obligations (or contribute any moneys to a sinking fund for the payment of any dividends or other distributions in respect of any such Junior Obligations);
  - (ii) declare or pay, or permit any subsidiary of the Issuer to declare or pay, any dividends or other distributions in respect of its Additional Tier 1 Capital Securities the terms of which provide that making payments of dividends or other distributions in respect thereof are fully at the discretion of the Issuer or subsidiary of the Issuer, as the case may be, (or contribute any moneys to a sinking fund for the payment of any dividends or other distributions in respect of any such Additional Tier 1 Capital Securities); and
  - (iii) redeem, reduce, cancel, buy-back or acquire any of its Additional Tier 1 Capital Securities or its Junior Obligations or permit any subsidiary of the Issuer to redeem, reduce, cancel, buy-back or acquire any of its Additional Tier 1 Capital Securities or its Junior Obligations (or contribute any moneys to a sinking fund for the redemption, capital reduction, buy-back or acquisition of any such Additional Tier 1 Capital Securities or Junior Obligations),

in each case, until (w) a redemption of all the outstanding Perpetual Capital Securities has occurred; (x) the outstanding Perpetual Capital Securities has been Written-off in its entirety; (y) the next scheduled Distribution has been paid in full (or an amount equivalent to the next scheduled Distribution has been paid, or irrevocably set aside in a separately designated trust account for payment to the Securityholders); or (z) the Issuer is permitted to do so by an Extraordinary Resolution.

- (f) **No default:** Notwithstanding any other provision in these Conditions, the cancellation or non-payment of any Distribution in accordance with this Condition 5 shall not constitute a default for any purpose (including, without limitation, pursuant to Condition 11) on the part of the Issuer.

## 6 Redemption, Purchase and Options

- (a) **No Fixed Redemption Date:** The Perpetual Capital Securities are perpetual securities in respect of which there is no fixed redemption date. The Perpetual Capital Securities may not be redeemed at the option of the Issuer other than in accordance with this Condition 6.
- (b) **Early Redemption:** The Early Redemption Amount payable in respect of any Perpetual Capital Security, upon redemption of such Perpetual Capital Security pursuant to Condition 6(c) or upon it becoming due and payable as provided in Condition 11, shall be the Final Redemption Amount unless otherwise specified in the applicable Pricing Supplement.

- (c) **Redemption for Taxation Reasons:** Subject to Condition 6(j), the Perpetual Capital Securities may be redeemed at the option of the Issuer in whole, but not in part, on any Distribution Payment Date (if this Perpetual Capital Security is a Floating Rate Perpetual Capital Security) or at any time (if this Perpetual Capital Security is not a Floating Rate Perpetual Capital Security), on giving not less than 15 days' notice to the Securityholders (which notice shall be irrevocable) at their Early Redemption Amount (as described in Condition 6(b)) together with Distributions accrued but unpaid (if any) to (but excluding) the date fixed for redemption or, if the Early Redemption Amount is not specified in the applicable Pricing Supplement, at their nominal amount, together with Distribution accrued but unpaid (if any) to (but excluding) the date fixed for redemption, if:
- (A) the Issuer has paid or will or would on the next payment date be required to pay Additional Amounts (as defined in Condition 9); or
  - (B) payments of Distribution on the Perpetual Capital Securities will or would be treated as "distributions" or dividends within the meaning of the Income Tax Act, Chapter 134 of Singapore (the "**Income Tax Act**") or any other act in respect of or relating to Singapore taxation or would otherwise be considered as payments of a type that are non-deductible for Singapore income tax purposes; or
  - (C) the Perpetual Capital Securities do not qualify as "qualifying debt securities" for the purposes of the Income Tax Act,

in each case as a result of any change in, or amendment to, the laws or regulations of Singapore or any political subdivision or any authority therein or thereof having power to tax (or any taxing authority of any taxing jurisdiction in which the Issuer is a tax resident) or any generally published application or interpretation of such laws or regulations by any such relevant tax authority or any generally published pronouncement by any such tax authority, including a decision of any court or tribunal in any such jurisdiction, which change or amendment becomes effective on or after the date on which agreement is reached to issue the Perpetual Capital Securities, and such obligations cannot be avoided by the Issuer taking measures reasonably available to it, provided that, where the Issuer has or will become obliged to pay Additional Amounts, no such notice of redemption shall be given earlier than 90 days prior to the earliest date on which the Issuer would be obliged to pay such Additional Amounts were a payment in respect of the Perpetual Capital Securities then due.

Before the publication of any notice of redemption pursuant to this Condition 6(c), the Issuer shall deliver to the Trustee a certificate signed by two authorized signatories of the Issuer stating that the payment of Additional Amounts, or that the non-deductibility of the payments of Distribution for Singapore income tax purposes, as the case may be, cannot be avoided by the Issuer taking reasonable measures available to it and the Trustee shall be entitled to accept such certificate without any further inquiry as sufficient evidence of the satisfaction of this Condition 6(c) without liability to any person in which event it shall be conclusive and binding on Securityholders. Upon expiry of such notice, the Issuer shall redeem the Perpetual Capital Securities in accordance with this Condition 6(c).

*Any redemption of the Perpetual Capital Securities by the Issuer pursuant to this Condition 6(c) is subject to the Issuer obtaining the prior approval of MAS.*

- (d) **Redemption at the option of the Issuer:** Subject to Condition 6(j), and unless otherwise specified in the Pricing Supplement, if Call Option is specified in the applicable Pricing Supplement as applicable, the Issuer may, on giving not less than 15 days' irrevocable notice to the Securityholders, elect to redeem all, but not some only, of the Perpetual Capital Securities on (i) the relevant First Call Date specified in the applicable Pricing Supplement (which shall not be less than 5 years from the Issue Date); and (ii) any Distribution Payment Date following such First Call Date at their Optional Redemption Amount specified in the applicable Pricing Supplement or, if no Optional Redemption Amount is specified in the applicable Pricing Supplement, at their nominal amount together with Distributions accrued but unpaid (if any) to (but excluding) the date fixed for redemption in accordance with these Conditions.

All Perpetual Capital Securities in respect of which any such notice is given shall be redeemed on the date specified in such notice in accordance with this Condition 6(d).

*Any redemption of the Perpetual Capital Securities by the Issuer pursuant to this Condition 6(d) is subject to the Issuer obtaining the prior approval of MAS.*

- (e) **Redemption for Change of Qualification Event:**

Subject to Condition 6(j), if as a result of a change or amendment to the relevant requirements issued by MAS, or any change in, or amendment to, the application of official or generally accepted and published interpretation of such relevant requirements issued by MAS or any relevant supervisory authority having jurisdiction over the Issuer, including a ruling or notice issued by MAS or any such relevant supervisory authority, or any interpretation or pronouncement by MAS or any such relevant supervisory authority that provides for a position with respect to such requirements issued by MAS that differs from the previously published official or such generally accepted and published interpretation in relation to similar transactions or which differs from any specific written statements made by MAS or any relevant supervisory authority having jurisdiction over the Issuer in relation to:

- (i) the qualification of the Perpetual Capital Securities as Additional Tier 1 Capital Securities; or
- (ii) the inclusion of the Perpetual Capital Securities in the calculation of the capital adequacy ratio,

in each case, of the Issuer (either on a consolidated or unconsolidated basis) ("**Eligible Capital**"), which change or amendment:

- (x) becomes, or would become, effective on or after the Issue Date; or
- (y) in the case of a change or amendment to the relevant requirements issued by MAS or any relevant authority, if such change or amendment is expected to be issued by MAS or any relevant supervisory authority on or after the Issue Date,

the relevant Perpetual Capital Securities (in whole or in part) would not qualify as Eligible Capital of the Issuer (a "**Change of Qualification Event**"), then the Issuer may, having given not less than 15 days' prior written notice to the Securityholders in accordance with Condition 16 (which notice shall be irrevocable), redeem in accordance with these Conditions on any Distribution Payment Date (if this Perpetual Capital Security is at the relevant time a Floating Rate Perpetual Capital Security) or at any time (if this Perpetual Capital Security is at the relevant time not a Floating Rate Perpetual Capital Security) all, but not some only, of the relevant Perpetual Capital

Securities, at their Early Redemption Amount or, if no Early Redemption Amount is specified in the applicable Pricing Supplement, at their nominal amount together with Distribution accrued but unpaid (if any) to (but excluding) the date fixed for redemption in accordance with these Conditions.

Prior to the publication of any notice of redemption pursuant to this Condition 6(e), the Issuer shall deliver to the Trustee a certificate signed by two authorized signatories of the Issuer stating that a Change of Qualification Event has occurred and the Trustee shall be entitled to accept such certificate without any further inquiry as sufficient evidence of the satisfaction of the conditions set out above without liability to any person in which event it shall be conclusive and binding on the Securityholders. Upon expiry of such notice, the Issuer shall redeem the Perpetual Capital Securities in accordance with this Condition 6(e).

*Any redemption of the Perpetual Capital Securities by the Issuer pursuant to this Condition 6(e) is subject to the Issuer obtaining the prior approval of MAS.*

(f) **Variation:**

Subject to Condition 6(j), where this Condition 6(f) is specified as being applicable in the applicable Pricing Supplement, the Issuer may at any time, without any requirement for the consent or approval of the Securityholders and having given not less than 15 days' notice to the Securityholders in accordance with Condition 16 (which notice shall be irrevocable), vary the terms of those Perpetual Capital Securities, where such variation does not result in terms that are materially less favorable to the Securityholders and so that they remain or, as appropriate, become Qualifying Securities and provided further that:

- (i) such variation does not itself give rise to any right of the Issuer to redeem the varied securities that is inconsistent with the redemption provisions of those Perpetual Capital Securities;
- (ii) neither a Tax Event nor a Capital Event arises as a result of such variation; and
- (iii) the Issuer is in compliance with the rules of any stock exchange on which the Perpetual Capital Securities are for the time being listed or admitted to trading.

In order to give effect to a variation pursuant to this Condition 6(f), the Issuer and the Trustee shall take all such steps, including executing any supplemental deed, as may be necessary or desirable to give effect to such variation. For the avoidance of doubt, the Trustee shall not be responsible or liable for verifying or certifying whether any of the provisions of this Condition 6(f) have been complied with nor incur any liability whatsoever for any failure to do so.

*Any variation of the Perpetual Capital Securities by the Issuer pursuant to this Condition 6(f) is subject to the Issuer obtaining the prior approval of MAS.*

In this Condition 6(f):

**“Additional Amounts”** means such additional amounts the Issuer shall pay as will result (after withholding or deduction) in receipt by the Securityholders of the sums which would have been receivable (in the absence of such withholding or deduction) from it in respect of their Perpetual Capital Securities;

a “**Capital Event**” will be deemed to have occurred if any Perpetual Capital Securities are not, or cease to be, eligible in their entirety to be treated as Additional Tier 1 Capital Securities of the Issuer;

“**Qualifying Securities**” means securities, whether debt, equity, interests in limited partnerships or otherwise, issued directly or indirectly by the Issuer that:

- (i) (A) qualify (in whole or in part) as Additional Tier 1 Capital Securities; or
  - (B) may be included (in whole or in part) in the calculation of the capital adequacy ratio, in each case of (x) the Issuer, on an unconsolidated basis, or (y) the Issuer and its subsidiaries, on a consolidated basis;
- (ii) shall:
  - (A) include a ranking at least equal to that of the Perpetual Capital Securities;
  - (B) have at least the same Distribution rate and the same Distribution Payment Dates as those from time to time applying to the Perpetual Capital Securities;
  - (C) have the same redemption rights as the Perpetual Capital Securities;
  - (D) preserve any existing rights under the Perpetual Capital Securities to any accrued Distributions which have not been paid in respect of the period from (and including) the Distribution Payment Date last preceding the date of variation; and
  - (E) if applicable, are assigned (or maintain) the same or higher credit ratings as were assigned to the Perpetual Capital Securities immediately prior to such variation; and
- (iii) are listed on the SGX-ST (or such other stock exchange approved by the Trustee) if the Perpetual Capital Securities were listed immediately prior to such variation; and

a “**Tax Event**” is deemed to have occurred if, in making any payments on the Perpetual Capital Securities, the Issuer has paid or will or would on the next payment date be required to pay any Additional Amounts or Distribution on the Perpetual Capital Securities will or would be treated as “distributions” or dividends within the meaning of the Income Tax Act or any other act in respect of or relating to Singapore taxation or would otherwise be considered as payments of a type that are non-deductible for Singapore income tax purposes, in each case under the laws or regulations of a Relevant Taxing Jurisdiction (as defined in Condition 9) or any political subdivision or any authority therein or thereof having power to tax (or any taxing authority of any taxing jurisdiction in which the Issuer is a tax resident) or any generally published application or interpretation of such laws or regulations by any relevant tax authority or any generally published pronouncement by any such tax authority, including a decision of any court or tribunal in any such jurisdiction, and the Issuer cannot avoid the foregoing by taking measures reasonably available to it.

If a variation has occurred pursuant to, or otherwise in accordance with, this Condition 6(f), such event will not constitute a Default under these Conditions.

- (g) **Purchases:** The Issuer and any of its subsidiaries (with the prior approval of MAS, for so long as the Issuer is required to obtain such approval) may at any time purchase Perpetual Capital Securities in the open market or otherwise at any price in accordance with all relevant laws and regulations and, for so long as the Perpetual Capital Securities are listed, the requirements of the relevant stock exchange. The Issuer or any such subsidiary may, at its option, retain such purchased Perpetual Capital Securities for its own account and/or resell or cancel or otherwise deal with them at its discretion.
- (h) **Cancellation:** All Perpetual Capital Securities purchased by or on behalf of the Issuer or any of its subsidiaries may be surrendered for cancellation by surrendering the Certificate representing such Perpetual Capital Securities to the Registrar and, in each case, if so surrendered, shall, together with all Perpetual Capital Securities redeemed by the Issuer, be cancelled forthwith. Any Perpetual Capital Securities so surrendered for cancellation may not be reissued or resold and the obligations of the Issuer in respect of any such Perpetual Capital Securities shall be discharged. Any Perpetual Capital Security that is Written-off in full in accordance with Condition 7 or converted in full if and as described in the applicable Pricing Supplement shall be automatically cancelled.
- (i) **No Obligation to Monitor:** The Trustee shall not be under any duty to monitor whether any event or circumstance has happened or exists within this Condition 6 and will not be responsible to the Securityholders for any loss arising from any failure by it to do so. Unless and until the Trustee has notice in writing of the occurrence of any event or circumstance within this Condition 6, it shall be entitled to assume that no such event or circumstance exists.
- (j) **Redemption or Variation of Perpetual Capital Securities:** Without prejudice to any provision in this Condition 6, any redemption pursuant to Condition 6(c), 6(d) or 6(e) or variation pursuant to Condition 6(f) (to the extent that any variation would affect the eligibility of the Perpetual Capital Securities as Additional Tier 1 Capital Securities) of the Perpetual Capital Securities by the Issuer is subject to the Issuer obtaining the prior approval of MAS.

*These Conditions may be amended, modified or varied in relation to any Series of Perpetual Capital Securities by the terms of the applicable Pricing Supplement in relation to such Series.*

## **7 Loss Absorption upon a Trigger Event and Bail-in Power**

- (a) The applicable Pricing Supplement will specify whether “Write-off” or “Conversion” applies as the relevant Loss Absorption Option upon the occurrence of a Trigger Event in relation to the Perpetual Capital Securities to which it relates. If “Write-off” is specified, the provisions of Conditions 7(b) and (c) shall apply. If “Conversion” is specified, the terms applicable thereto will be specified in the applicable Pricing Supplement.
- (b) **Write-off on a Trigger Event:**
  - (i) If “Write-off” is specified as the Loss Absorption Option in the applicable Pricing Supplement for any Perpetual Capital Securities and if a Trigger Event occurs, the Issuer shall, upon the issue of a Trigger Event Notice, irrevocably and without the need for the consent of the Trustee or the holders of any Perpetual Capital Securities, procure that the Registrar shall reduce the principal amount and cancel any accrued but unpaid Distribution of each Perpetual Capital Security (in whole



or in part) by an amount equal to the Trigger Event Write-off Amount per Perpetual Capital Security (a “Write-off”, and “Written-off” shall be construed accordingly). Once any principal or Distribution under a Perpetual Capital Security has been Written-off, it will be extinguished and will not be restored in any circumstances, including where the relevant Trigger Event ceases to continue. No Securityholder may exercise, claim or plead any right to any Trigger Event Write-off Amount, and each Securityholder shall be deemed to have waived all such rights to such Trigger Event Write-off Amount. For the avoidance of doubt, any Write-off in accordance with this Condition 7 shall not constitute a Default (as defined below).

- (ii) If a Trigger Event Notice has been given in respect of any Perpetual Capital Securities in accordance with this Condition 7(b), transfers of any such Perpetual Capital Securities that are the subject of such notice shall not be permitted during the Suspension Period. From the date on which a Trigger Event Notice in respect of any Perpetual Capital Securities in accordance with this Condition 7(b) is issued by the Issuer to the end of the Suspension Period, the Trustee and the Registrar shall not register any attempted transfer of any Perpetual Capital Securities and such an attempted transfer will not be effective.
- (iii) Any reference in these Conditions to principal in respect of the Perpetual Capital Securities shall refer to the principal amount of the Perpetual Capital Security(ies), reduced by any applicable Write-off(s).

*Any Write-off of Perpetual Capital Securities or any cancellation, modification, conversion or change in form as a result of the exercise of the MAS’s powers under Division 4A of Part IVB of the MAS Act is subject to the availability of procedures to effect the Write-off in the relevant clearing systems. For the avoidance of doubt, however, any Write-off of any Perpetual Capital Securities, or the giving of effect of a Bail-in Certificate with respect to the Issuer, under this Condition 7 will be effective upon the date that the Issuer specifies in the Trigger Event Notice or in the notice of issue of a Bail-in Certificate (or as may otherwise be notified in writing to the Securityholders, the Trustee and Agents by the Issuer) notwithstanding any inability to operationally effect any such Write-off or cancellation, modification, conversion or change in form as a result of the exercise of the MAS’s powers under Division 4A of Part IVB of the MAS Act in the relevant clearing system(s).*

**(c) Multiple Trigger Events and Write-offs in part:**

- (i) Where only part of the principal and/or Distribution of Additional Tier 1 Capital Securities is to be Written-off, the Issuer shall use reasonable endeavors to conduct any Write-off such that:
  - (A) holders of any Series of Perpetual Capital Securities are treated ratably and equally; and
  - (B) the Write-off of any Perpetual Capital Securities is conducted on a *pro rata* and proportionate basis with all other Additional Tier 1 Capital Securities of the Issuer, to the extent that such Additional Tier 1 Capital Securities are capable of being written-off or converted under any applicable laws and/or their terms of issue analogous to these Conditions.

*Any loss absorption action to be taken in respect of any Common Equity Tier 1 Capital shall not be required before a Write-off or conversion (if applicable) of any Perpetual Capital Securities can be effected in accordance with these Conditions.*

- (ii) Any Series of Perpetual Capital Securities may be subject to one or more Write-offs in part (as the case may be), except where such Series of Perpetual Capital Securities has been Written-off in its entirety.

(d) **Bail-in Power**

Notwithstanding any other term of the Perpetual Capital Securities, including without limitation Condition 7(b), or any other agreement or arrangement, the Perpetual Capital Securities may be subject to cancellation, modification, conversion, change in form, or have the effect as if a right of modification, conversion, or change of form had been exercised by the MAS in the exercise of the MAS's powers under Division 4A of Part IVB of the MAS Act without prior notice. The Trustee (on behalf of the holders of the Perpetual Capital Securities) and each holder of a Perpetual Capital Security shall be subject, and shall be deemed to agree, to be bound by and acknowledge that they are each subject to having the Perpetual Capital Security being the subject of the exercise of the MAS's powers under Divisions 4A of Part IVB of the MAS Act. Further, the Trustee (on behalf of the holders of the Perpetual Capital Securities) and each holder of a Perpetual Capital Security shall be deemed to agree to be bound by a Bail-in Certificate.

The rights of the holders of Perpetual Capital Securities and the Trustee (on behalf of the holders of the Perpetual Capital Securities) under the Perpetual Capital Securities and these Conditions are subject to, and will be amended and varied (if necessary), solely to give effect to, the exercise of the MAS's powers under Division 4A of Part IVB of the MAS Act.

No repayment of any principal amount of any Perpetual Capital Securities or payment of Distributions shall become due and payable or be paid after the exercise of the MAS's powers under Division 4A of Part IVB of the MAS Act unless, at the time that such repayment or payment, respectively, is scheduled to become due, such repayment or payment would be permitted to be made by the Issuer under the laws and regulations applicable to the Issuer.

Upon the issue of a Bail-in Certificate with respect to the Perpetual Capital Securities, the Issuer shall provide written notice of such Bail-in Certificate to the holders of Perpetual Capital Securities and the Trustee in accordance with Condition 16 not more than two Business Days after the issue of such Bail-in Certificate.

Neither the cancellation, modification, conversion or change in form of the Perpetual Capital Securities as a result of the exercise of the MAS's powers under Division 4A of Part IVB of the MAS Act with respect to the Issuer or the Perpetual Capital Securities shall constitute a Default under Condition 11.

(e) **Definitions:**

In this Condition 7:

**"Bail-in Certificate"** means a bail-in certificate issued pursuant to Section 75 of the MAS Act;

**"Common Equity Tier 1 Capital"** means:

- (i) any security issued by the Issuer; or
- (ii) any other similar instrument issued by any subsidiary of the Issuer,

that, in each case, constitutes Common Equity Tier 1 Capital of the Issuer, on an unconsolidated basis, pursuant to the relevant requirements set out in MAS Notice 637;

**“Loss Absorption Option”** means such loss absorption option as may be specified in the applicable Pricing Supplement;

**“MAS Act”** means the Monetary Authority of Singapore Act, Chapter 186 of Singapore, as amended;

**“Trigger Event”** means the earlier of:

- (i) MAS notifying the Issuer in writing that it is of the opinion that a Write-off or conversion is necessary, without which the Issuer would become non-viable; and
- (ii) a decision by MAS to make a public sector injection of capital, or equivalent support, without which the Issuer would have become non-viable, as determined by MAS;

**“Trigger Event Notice”** means the notice specifying that a Trigger Event has occurred, which shall be issued by the Issuer not more than two Business Days after the occurrence of a Trigger Event to the holders of the Perpetual Capital Securities, the Trustee and the Issuing and Paying Agent in accordance with Condition 16 and which shall state with reasonable detail the nature of the relevant Trigger Event and, if applicable, specify, as applicable (A) the Trigger Event Write-off Amount per Perpetual Capital Security to be Written-off or (B) details of any conversion consistent with any mechanics specified in the applicable Pricing Supplement. For the purposes of this definition, a Trigger Event Notice shall be deemed to be delivered on a Business Day if it is received by the Trustee at its principal place of business and by the Issuing and Paying Agent and the Registrar at their respective specified offices during normal business hours; and

**“Trigger Event Write-off Amount”** means the amount of Distribution and/or principal to be Written-off, as the MAS may direct, or as the Issuer (in accordance with the MAS) determines is required to be Written-off for the Trigger Event to cease to continue. For the avoidance of doubt, the Write-off will be effected in full even in the event that the amount Written-off is not sufficient for the Trigger Event to cease to continue.

(f) **Role of the Issuer, the Trustee and the Agents:**

Notwithstanding anything to the contrary that may be set out in these Conditions, the Trust Deed, the Agency Agreement, the applicable Pricing Supplement or any other document relating to the Perpetual Capital Securities:

- (i) neither the Trustee nor any Agent shall be under any duty to determine, monitor or report whether a Trigger Event has occurred or circumstances exist which may lead to the occurrence of a Trigger Event and will not be responsible or liable to the Securityholders or any other person for any loss arising from any failure by it to do so, except where such failure is due to the fraud, negligence or willful misconduct of the Trustee or such Agent. Unless and until the Trustee and the Issuing and Paying Agent receive a Trigger Event Notice in accordance with this Condition 7 and the other Agents are expressly notified in writing, each of them shall be entitled to assume that no such event or circumstance has occurred or exists;

- (ii) each of the Trustee and each Agent shall be entitled without further enquiry and without liability to any Securityholder or any other person to rely on any Trigger Event Notice and such Trigger Event Notice shall be conclusive evidence of the occurrence of the Trigger Event and conclusive and binding on Securityholders;
- (iii) neither the Trustee nor any Agent shall be under any duty to determine or calculate, or verify any determination or calculation of or relating to, any Trigger Event Write-off Amount and will not be responsible or liable to the Securityholders or any other person for any loss arising from any failure by it to do so, except where such failure is due to the fraud, negligence or willful misconduct of the Trustee or such Agent;
- (iv) each of the Trustee, the Agents, Euroclear, Clearstream, CDP, DTC and any other relevant clearing system shall be entitled without further enquiry and without liability to any Securityholder or any other person to rely on any Trigger Event Notice and the Trigger Event Write-off Amount specified therein shall, as to the amount of Distribution and/or principal to be Written-off, be conclusive and binding on Securityholders;
- (v) as long as such Perpetual Capital Securities are held in global form, neither the Trustee nor any Agent shall, in any circumstances, be responsible or liable to the Issuer, the Securityholders or any other person for any act, omission or default by Euroclear, Clearstream, CDP, DTC or any other relevant clearing system, or its respective participants, members, any broker-dealer or any other relevant third party with respect to the notification and/or implementation of any Write-off by any of them in respect of such Perpetual Capital Securities;
- (vi) once the Issuer has delivered a Trigger Event Notice to the Trustee pursuant to this Condition 7:
  - (A) the Trustee shall not be obliged to take any action pursuant to any direction, instruction or request provided to it pursuant to an Extraordinary Resolution (as defined in the Trust Deed) or a resolution passed at a meeting of Securityholders; and
  - (B) any direction, instruction or request given to the Trustee pursuant to an Extraordinary Resolution or a resolution passed at a meeting of Securityholders prior to the date of the Trigger Event Notice shall cease automatically and shall be null and void and of no further effect,provided that any action taken by the Trustee in respect of any such Perpetual Capital Securities shall only be taken after the relevant Suspension Period;
- (vii) the Issuer, the Trustee and each Agent shall, without the need for the consent or approval of the holders of any Perpetual Capital Securities (or any further action or direction on the part of Securityholders), take any and all such steps in accordance with the Agency Agreement as may be necessary or desirable to give effect to any Trigger Event and any Write-off following the occurrence of the Trigger Event and to reflect the same in the records of Euroclear, Clearstream, CDP, DTC or any other relevant clearing system; and
- (viii) the Trust Deed and Agency Agreement contain certain other protections and disclaimers as applicable to the Trustee and Agents in relation to Condition 7 and each Securityholder shall be deemed to have authorized, directed and requested the Trustee, the Registrar and the other Agents, as the case may be, to take any and all such steps as may be necessary or desirable to give effect to any Trigger Event and any Write-off following the occurrence of the Trigger Event.

## 8 Payments

### (a) **Perpetual Capital Securities not held in CMU:**

- (i) Payments of principal in respect of Perpetual Capital Securities shall be made against presentation and surrender of the relevant Certificates at the specified office of any of the Transfer Agents or of the Registrar and in the manner provided in Condition 8(a)(ii).
- (ii) Distributions on Perpetual Capital Securities shall be paid to the person shown on the Register at the close of business (i) on the fifteenth day before the due date for payment thereof or (ii) in the case of Renminbi, on the fifth day before the due date for payment thereof (the **"Record Date"**). Payments of Distribution on each Perpetual Capital Security shall be made:
  - (x) in the case of a currency other than Renminbi, in the relevant currency by cheque drawn on a Bank and mailed to the holder (or to the first named of joint holders) of such Perpetual Capital Security at its address appearing in the Register. Upon application by the holder to the specified office of the Registrar or any Transfer Agent before the Record Date, such payment of Distribution may be made by transfer to an account in the relevant currency maintained by the payee with a Bank; and
  - (y) in the case of Renminbi, by transfer to the registered account of the Securityholder. If a holder does not maintain a registered account in respect of a payment to be made under such Perpetual Capital Security, the Issuer reserves the right, in its sole discretion and upon such terms as it may determine, to make arrangements to pay such amount to that holder by another means, *provided that* the Issuer shall not have any obligation to make any such arrangements.

In this Condition 8(a)(ii), **"registered account"** means the Renminbi account maintained by or on behalf of the Securityholder with (A) (in the case of Perpetual Capital Securities cleared through CMU) a bank in Hong Kong or (B) (in the case of Perpetual Capital Securities cleared through CDP or definitive Perpetual Capital Securities) a bank in Singapore or Hong Kong, in each case details of which appear on the Register at the close of business on the fifth business day before the due date for payment.

- (iii) Securityholders will not be entitled to any Distribution or other payment for any delay after the due date in receiving the amount due on a Perpetual Capital Security if the due date is not a relevant business day, if the Securityholder is late in surrendering or cannot surrender its Certificate (if required to do so) or if a cheque mailed in accordance with Condition 8(a)(ii) arrives after the due date for payment.
- (b) **Perpetual Capital Securities held in CMU:** Payments of principal and Distributions in respect of Perpetual Capital Securities held in CMU will be made to the person(s) for whose account(s) interests in the relevant Perpetual Capital Security are credited as being held with CMU in accordance with CMU Rules (as defined in the Agency Agreement) at the relevant time as notified to the CMU Lodging and Paying Agent by CMU in a relevant CMU Instrument Position Report (as defined in the Agency Agreement) or any other relevant notification by CMU, which notification shall be conclusive evidence of the records of CMU (save in the case of manifest error) and payment made in accordance thereof shall discharge the obligations of the Issuer in respect of that payment.

*For so long as any of the Perpetual Capital Securities that are cleared through CMU are represented by a Global Certificate, payments of Distribution or principal will be made to the persons for whose account a relevant interest in that Global Certificate is credited as being held by the operator of CMU at the relevant time, as notified to the CMU Lodging and Paying Agent by the operator of CMU in a relevant CMU Instrument Position Report (as defined in the rules of CMU) or in any other relevant notification by the operator of CMU. Such payment will discharge the Issuer's obligations in respect of that payment. Any payments by CMU participants to indirect participants will be governed by arrangements agreed between CMU participants and the indirect participants and will continue to depend on the inter-bank clearing system and traditional payment methods. Such payments will be the sole responsibility of such CMU participants.*

- (c) **Payments subject to fiscal laws:** All payments are subject in all cases to any applicable fiscal or other laws, regulations and directives in the place of payment or other laws to which the Issuer agrees to be subject and the Issuer will not be liable for any taxes or duties of whatever nature imposed or levied by such laws, regulations, directives or agreements, but without prejudice to the provisions of Condition 9. No commission or expenses shall be charged to the Securityholders in respect of such payments.
- (d) **Payment Initiation:** Where payment is to be made by transfer to an account in the relevant currency, payment instructions (for value the due date, or if that is not a business day, for value the first following day which is a business day) will be initiated, and, where payment is to be made by cheque, the cheque will be mailed on the last day on which the relevant Paying Agent is open for business preceding the due date for payment or, in the case of payments of principal where the relevant Certificate has not been surrendered at the specified office of any of the Transfer Agents or of the Registrar, on a day on which the relevant Paying Agent is open for business and on which the relevant Certificate is surrendered.
- (e) **Appointment of Agents:** The Issuing and Paying Agent, the CMU Lodging and Paying Agent, the CDP Paying Agent, the U.S. Paying Agent, the Paying Agents, the Registrar, the Exchange Agent, the Transfer Agents and the Calculation Agent initially appointed by the Issuer and their respective specified offices are listed below. The Issuing and Paying Agent, the CMU Lodging and Paying Agent, the CDP Paying Agent, the U.S. Paying Agent, the Paying Agents, the Registrar, the Exchange Agent, the Transfer Agents and the Calculation Agent act solely as agents of the Issuer and do not assume any obligation or relationship of agency or trust for or with any Securityholder. The Issuer reserves the right at any time with the approval of the Trustee to vary or terminate the appointment of the Issuing and Paying Agent, the CMU Lodging and Paying Agent, the CDP Paying Agent, the U.S. Paying Agent, any other Paying Agent, the Registrar, the Exchange Agent, any Transfer Agent or the Calculation Agent(s) and to appoint additional or other Paying Agents or Transfer Agents, provided that the Issuer shall at all times maintain (i) an Issuing and Paying Agent, (ii) a Registrar, (iii) a Transfer Agent, (iv) a CMU Lodging and Paying Agent in relation to Perpetual Capital Securities cleared through CMU, (v) a CDP Paying Agent in relation to Perpetual Capital Securities cleared through CDP, (vi) a U.S. Paying Agent in relation to Perpetual Capital Securities cleared through DTC, (vii) one or more Calculation Agent(s) where these Conditions so require and (viii) such other agents as may be required by any other stock exchange on which the Perpetual Capital Securities may be listed in each case, as approved by the Trustee.

Notice of any such change or any change of any specified office shall promptly be given to the Securityholders.

So long as any Global Certificate payable in a specified currency other than U.S. dollars is held through DTC or its nominee, there will at all times be an Exchange Agent with a specified office in New York City.

- (f) **Non-Business Days:** If any date for payment in respect of any Perpetual Capital Security is not a business day, the holder shall not be entitled to payment until the next following business day nor to any Distribution or other sum in respect of such postponed payment. In this Condition 8(f), “**business day**” means a day (other than a Saturday or a Sunday) on which banks and foreign exchange markets are open for business in the relevant place of presentation, in such other jurisdictions as shall be specified as “**Financial Centers**” in the applicable Pricing Supplement and:
- (i) (in the case of a payment in a currency other than Euro and Renminbi) where payment is to be made by transfer to an account maintained with a bank in the relevant currency, on which foreign exchange transactions may be carried on in the relevant currency in the principal financial center of the country of such currency; or
  - (ii) (in the case of a payment in Euro) which is a TARGET Business Day; or
  - (iii) (in the case of Renminbi where the Perpetual Capital Securities are cleared through CMU) on which banks and foreign exchange markets are open for business and settlement of Renminbi payments in Hong Kong; or
  - (iv) (in the case of Renminbi where the Perpetual Capital Securities are cleared through CDP or in definitive form) on which banks and foreign exchange markets are open for business and settlement of Renminbi payments in Singapore and Hong Kong; or
  - (v) (in the case of Renminbi where the Perpetual Capital Securities are cleared through Euroclear or Clearstream) on which banks and foreign exchange markets are open for business and settlement of Renminbi payments in London.
- (g) **Renminbi Disruption Fallback:** Notwithstanding the foregoing, if (i) Renminbi is, in the reasonable opinion of the Issuer, not expected to be available to the Issuer when payment of the Perpetual Capital Securities is due as a result of circumstances beyond the control of the Issuer or (ii) by reason of Inconvertibility, Non-transferability or Illiquidity, the Issuer is not able to satisfy payments of principal or Distribution in respect of the Perpetual Capital Securities when due in Renminbi (in the case of Perpetual Capital Securities cleared through CMU, Euroclear or Clearstream) in Hong Kong or (in the case of Perpetual Capital Securities cleared through CDP) in Singapore, the Issuer shall, on giving not less than five nor more than 30 days’ irrevocable notice to the Securityholders prior to the due date for payment, settle any such payment (in the case of Perpetual Capital Securities cleared through CMU, Euroclear or Clearstream) in U.S. dollars on the due date at the U.S. Dollar Equivalent, or (in the case of Perpetual Capital Securities cleared through CDP) in Singapore dollars on the due date at the Singapore Dollar Equivalent, of any such Renminbi denominated amount. The due date for payment shall be the originally scheduled due date or such postponed due date as shall be specified in the notice referred to above, which postponed due date may not fall more than 20 days after the originally scheduled due date. Distributions on the Perpetual Capital Securities will continue to accrue up to but excluding any such date for payment of principal.

In such event, payments of the U.S. Dollar Equivalent or the Singapore Dollar Equivalent (as applicable) of the relevant principal or Distribution in respect of the Perpetual Capital Securities shall be made by:

- (i) in the case of Perpetual Capital Securities cleared through CMU, Euroclear or Clearstream, transfer to a U.S. dollar denominated account maintained by the payee with, or by a U.S. dollar denominated cheque drawn on, or, at the option of the holder, by transfer to a U.S. dollar account maintained by the holder with, a bank in New York City and the definition of “**business day**” for the purpose of Condition 8(f) shall mean any day on which banks and foreign exchange markets are open for general business in the relevant place of presentation, and New York City; or
- (ii) in the case of Perpetual Capital Securities cleared through CDP, transfer to a Singapore dollar denominated account maintained by the payee with, or by a Singapore dollar denominated cheque drawn on, a bank in Singapore.

For the purposes of this Condition 8:

“**Determination Business Day**” means a day (other than a Saturday or Sunday) on which commercial banks are open for general business (including dealings in foreign exchange):

- (i) in the case of Perpetual Capital Securities cleared through CMU, Euroclear or Clearstream, in Hong Kong and New York City; or
- (ii) in the case of Perpetual Capital Securities cleared through CDP, in Singapore.

“**Determination Date**” means the day which:

- (i) in the case of Perpetual Capital Securities cleared through CMU, Euroclear or Clearstream, is two Determination Business Days before the due date for payment of the relevant amount under these Conditions; or
- (ii) in the case of Perpetual Capital Securities cleared through CDP, is seven Determination Business Days before the due date of the relevant amount under these Conditions.

“**Governmental Authority**” means:

- (i) in the case of Perpetual Capital Securities cleared through CMU, Euroclear or Clearstream, any *de facto* or *de jure* government (or any agency or instrumentality thereof), court, tribunal, administrative or other governmental authority or any other entity (private or public) charged with the regulation of the financial markets (including the central bank) of Hong Kong; or
- (ii) in the case of Perpetual Capital Securities cleared through CDP, MAS or any other governmental authority or any other entity (private or public) charged with the regulation of the financial markets of Singapore.



**“Illiquidity”** means:

- (i) in the case of Perpetual Capital Securities cleared through CMU, Euroclear or Clearstream, the general Renminbi exchange market in Hong Kong becomes illiquid as a result of which the Issuer cannot obtain sufficient Renminbi in order to satisfy its obligation to pay Distribution or principal in respect of the Perpetual Capital Securities as determined by the Issuer in good faith and in a commercially reasonable manner following consultation with two Renminbi Dealers selected by the Issuer; or
- (ii) in the case of Perpetual Capital Securities cleared through CDP, the general Renminbi exchange market in Singapore becomes illiquid as a result of which the Issuer cannot obtain sufficient Renminbi in order to satisfy its obligation to pay Distribution or principal in respect of the Perpetual Capital Securities as determined by the Issuer in good faith and in a commercially reasonable manner following consultation with two Renminbi Dealers selected by the Issuer.

**“Inconvertibility”** means the occurrence of any event that makes it impossible (where it had been previously possible) for the Issuer to convert any amount due in respect of the Perpetual Capital Securities in the general Renminbi exchange market in (in the case of Perpetual Capital Securities cleared through CMU, Euroclear or Clearstream) Hong Kong or (in the case of Perpetual Capital Securities cleared through CDP) Singapore, other than where such impossibility is due solely to the failure of the Issuer to comply with any law, rule or regulation enacted by any Governmental Authority (unless such law, rule or regulation is enacted after the Issue Date and it is impossible for the Issuer, due to an event beyond its control, to comply with such law, rule or regulation).

**“Non-transferability”** means the occurrence of any event that makes it impossible for the Issuer to deliver Renminbi between accounts:

- (i) in the case of Perpetual Capital Securities cleared through CMU, Euroclear or Clearstream, inside Hong Kong or from an account inside Hong Kong to an account outside Hong Kong and outside the PRC or from an account outside Hong Kong and outside the PRC to an account inside Hong Kong, other than where such impossibility is due solely to the failure of the Issuer to comply with any law, rule or regulation enacted by any Governmental Authority (unless such law, rule or regulation is enacted after the Issue Date and it is impossible for the Issuer, due to an event beyond its control, to comply with such law, rule or regulation); or
- (ii) in the case of Perpetual Capital Securities cleared through CDP, inside Singapore or from an account inside Singapore to an account outside Singapore and outside the PRC or from an account outside Singapore and outside the PRC to an account inside Singapore, other than where such impossibility is due solely to the failure of the Issuer to comply with any law, rule or regulation enacted by any Governmental Authority (unless such law, rule or regulation is enacted after the Issue Date and it is impossible for the Issuer, due to an event beyond its control, to comply with such law, rule or regulation).

**“PRC”** means the People’s Republic of China (excluding the Hong Kong Special Administrative Region, the Macau Special Administrative Region and Taiwan).

**“Renminbi Dealer”** means an independent foreign exchange dealer of international repute active in the Renminbi exchange market in (in the case of Perpetual Capital Securities cleared through CMU, Euroclear or Clearstream) Hong Kong or (in the case of Perpetual Capital Securities cleared through CDP) Singapore.

**“Singapore Dollar Equivalent”** means the Renminbi amount converted into Singapore dollars using the relevant Spot Rate for the relevant Determination Date, as promptly notified to the Issuer and the Paying Agents.

**“Spot Rate”** means:

- (i) in the case of Perpetual Capital Securities cleared through CMU, Euroclear or Clearstream, the spot CNY/U.S. dollar exchange rate for the purchase of U.S. dollars with Renminbi in the over-the-counter Renminbi exchange market in Hong Kong for settlement in two Determination Business Days, as determined by the Calculation Agent at or around 11.00 a.m. (Hong Kong time) on the Determination Date, on a deliverable basis by reference to Reuters Screen Page TRADCNY3, or if no such rate is available, on a non-deliverable basis by reference to Reuters Screen Page TRADNDF.

If such rate is not available, the Calculation Agent will determine the Spot Rate at or around 11.00 a.m. (Hong Kong time) on the Determination Date as the most recently available CNY/U.S. dollar official fixing rate for settlement in two Determination Business Days reported by The State Administration of Foreign Exchange of the PRC, which is reported on the Reuters Screen Page CNY=SAEC. Reference to a page on the Reuters Screen means the display page so designated on the Reuter Monitor Money Rates Service (or any successor service) or such other page as may replace that page for the purpose of displaying a comparable currency exchange rate; or

- (ii) in the case of Perpetual Capital Securities cleared through CDP, the spot CNY/Singapore dollar exchange rate as determined by the Issuer at or around 11.00 a.m. (Singapore time) on the Determination Date in good faith and in a reasonable commercial manner, and if a spot rate is not readily available, the Issuer may determine the rate taking into consideration all available information which the Issuer deems relevant, including pricing information obtained from the Renminbi non-deliverable exchange market in Singapore or elsewhere and the PRC domestic foreign exchange market in Singapore (and, for the avoidance of doubt, the Calculation Agent shall have no obligation to determine the Spot Rate in the case of Perpetual Capital Securities cleared through CDP).

All notifications, opinions, determinations, certificates, calculations, quotations and decisions given, expressed, made or obtained for the purposes of the provisions of this Condition 8(g) by the Calculation Agent, will (in the absence of willful default, bad faith or manifest error) be binding on the Issuer, the Agents and all Securityholders.

**“U.S. Dollar Equivalent”** means the Renminbi amount converted into U.S. dollars using the Spot Rate for the relevant Determination Date as promptly notified to the Issuer and the Paying Agents.

## 9 Taxation

All payments of principal and Distributions by or on behalf of the Issuer in respect of the Perpetual Capital Securities shall be made free and clear of, and without withholding or deduction for, any taxes, duties, assessments or governmental charges of whatever nature imposed, levied, collected, withheld or assessed by a Relevant Taxing Jurisdiction or any authority therein or thereof having power to tax, unless such withholding or deduction is required by law. In that event, the Issuer shall pay such additional amounts (the “**Additional Amounts**”) as shall result in receipt by the Securityholders of such amounts as would have been received by them had no such withholding or deduction been required, except that no such Additional Amounts shall be payable with respect to any Perpetual Capital Security:

- (a) **Other connection:** to, or to a third party on behalf of, a holder who is (i) treated as a resident of the Relevant Taxing Jurisdiction or as having a permanent establishment in the Relevant Taxing Jurisdiction for tax purposes or (ii) liable to such taxes, duties, assessments or governmental charges in respect of such Perpetual Capital Security by reason of his having some connection with the Relevant Taxing Jurisdiction other than the mere holding or ownership of the Perpetual Capital Security or receiving income therefrom, or the enforcement thereof; or
- (b) **Lawful avoidance of withholding:** to, or to a third party on behalf of, a holder who could lawfully avoid (but has not so avoided) such deduction or withholding by complying or procuring that any third party complies with any statutory requirements or by making or procuring that any third party makes a declaration of non-residence or other similar claim for exemption to any tax authority in the place where the relevant Certificate representing the Perpetual Capital Security is presented for payment; or
- (c) **Presentation more than 30 days after the Relevant Date:** presented (or in respect of which the Certificate representing it is presented) for payment more than 30 days after the Relevant Date except to the extent that the holder of it would have been entitled to such Additional Amounts on presenting it for payment on the thirtieth such day.

For the avoidance of doubt, neither the Issuer nor any other person shall be required to pay any Additional Amounts or otherwise indemnify a holder for any withholding or deduction required pursuant to an agreement described in Section 1471(b) of the United States Internal Revenue Code of 1986, as amended (the “**Code**”) as amended or otherwise imposed pursuant to Sections 1471 through 1474 of the Code (or any regulations thereunder or official interpretations thereof) or an intergovernmental agreement between the United States and another jurisdiction facilitating the implementation thereof (or any law implementing such an intergovernmental agreement).

As used in these Conditions,

- (i) “**Relevant Date**” in respect of any Perpetual Capital Security means the date on which payment in respect of it first becomes due or (if any amount of the money payable is improperly withheld or refused) the date on which payment in full of the amount outstanding is made or (if earlier) the date seven days after that on which notice is duly given to the Securityholders that, upon further presentation of the Certificate representing the Perpetual Capital Security being made in accordance with these Conditions, such payment will be made, *provided that* payment is in fact made upon such presentation. References in these Conditions to (i) “principal” shall be deemed to include any premium payable in respect of the Perpetual Capital Securities, Final Redemption Amounts, Early Redemption Amounts, Optional Redemption Amounts and all other amounts in the nature of principal payable pursuant to Condition 6 or any amendment or supplement to it, (ii) “Distribution” shall be deemed to include all Distribution Amounts and all other amounts payable pursuant to Condition 4 or any

amendment or supplement to it and (iii) “principal” and/or “Distribution” shall be deemed to include any additional amounts that may be payable under this Condition 9 or any undertaking given in addition to or in substitution for it under the Trust Deed.

- (ii) “**Relevant Taxing Jurisdiction**” means Singapore or, if different, the jurisdiction of tax residency of the Issuer.

*Where interest, discount income, prepayment fee, redemption premium or break cost is derived from any of the Perpetual Capital Securities by any person who is not resident in Singapore and who carries on any operations in Singapore through a permanent establishment in Singapore, the tax exemption available for qualifying debt securities (subject to certain conditions) under the Income Tax Act, shall not apply if such person acquires such Perpetual Capital Securities using the funds and profits of such person’s operations through a permanent establishment in Singapore. Any person whose interest, discount income, prepayment fee, redemption premium or break cost derived from the Perpetual Capital Securities is not exempt from tax (including for the reasons described above) shall include such income in a return of income made under the Income Tax Act.*

## 10 Prescription

Claims against the Issuer for payment in respect of the Perpetual Capital Securities shall be prescribed and become void unless made within 10 years (in the case of principal) or five years (in the case of Distribution) from the appropriate Relevant Date in respect of them.

## 11 Default

- (a) *Default*: “**Default**”, wherever used in these Conditions, means (except as expressly provided below, whatever the reason for such Default and whether or not it shall be voluntary or involuntary or be effected by the operation of law or pursuant to any judgment, decree or order of any court or any order, rule or regulation of any administrative or governmental body) failure to pay principal of or Distribution on any Perpetual Capital Security (which default in the case of principal continues for seven Business Days and in the case of Distribution continues for 14 Business Days) after the due date for such payment.

If a Write-off or conversion has occurred pursuant to, or otherwise in accordance with, Condition 7 or (with respect to a conversion) any applicable Pricing Supplement, such event will not constitute a Default under these Conditions.

- (b) *Enforcement*: If a Default occurs and is continuing, the Trustee may in its absolute discretion institute proceedings in Singapore (but not elsewhere) for the winding-up of the Issuer. The Trustee shall have no right to enforce payment under or accelerate payment of any Perpetual Capital Security in the case of such Default in payment on such Perpetual Capital Security or a default in the performance of any other covenant of the Issuer in such Perpetual Capital Security or in the Trust Deed except as provided for in this Condition 11 and Clause 8 of the Trust Deed.

Subject to the subordination provisions as set out in Condition 3, in Clause 6 and Clause 8.3 of the Trust Deed, if a court order is made or an effective resolution is passed for the winding-up of the Issuer, there shall be payable on the relevant Perpetual Capital Securities, after the payment in full of all claims of all Senior Creditors, but in priority to holders of Junior Obligations of the Issuer and/or as otherwise specified in the applicable Pricing Supplement or in a supplement to the Offering Memorandum, such amount remaining after the payment in full of all claims of all Senior Creditors up to, but not exceeding, the nominal amount of the Perpetual Capital Securities together with Distribution accrued to the date of repayment.

- (c) *Rights and Remedies upon Default:* If a Default in respect of the payment of principal of or Distribution on the Perpetual Capital Securities occurs and is continuing, the sole remedy available to the Trustee shall be the right to institute proceedings in Singapore (but not elsewhere) for the winding-up of the Issuer. If the Issuer shall default in the performance of any obligation contained in the Trust Deed, other than a Default specified in Condition 11(a), the Trustee and the Securityholders shall be entitled to every right and remedy given hereunder or thereunder or now or hereafter existing at law or in equity or otherwise, provided, however, that the Trustee shall have no right to enforce payment under or accelerate payment of any Perpetual Capital Security except as provided in this Condition 11(c) and Clause 8.3 of the Trust Deed. If any court awards money damages or other restitution for any default with respect to the performance by the Issuer of its obligations contained in the Trust Deed, the payment of such money damages or other restitution shall be subject to the subordination provisions set out herein and in Clause 6 and Clause 8.3 of the Trust Deed.
- (d) *Entitlement of the Trustee:* The Trustee shall not be bound to take any of the actions referred to in Condition 11(b) or Condition 11(c) or Clause 8.3 of the Trust Deed or any other action under the Trust Deed unless (i) it shall have been so requested by an Extraordinary Resolution (as defined in the Trust Deed) of the Securityholders or in writing by the holders of at least one-quarter in nominal amount of the Perpetual Capital Securities then outstanding and (ii) it shall have been indemnified and/or secured to its satisfaction.
- (e) *Rights of Holders:* No Securityholder shall be entitled to proceed directly against the Issuer or to institute proceedings for the winding-up of the Issuer in Singapore or to prove in any winding-up of the Issuer unless the Trustee, having become so bound to proceed (in accordance with the terms of the Trust Deed) or being able to prove in such winding-up, fails to do so within a reasonable period and such failure shall be continuing, in which case the Securityholder shall have only such rights against the Issuer as those which the Trustee is entitled to exercise.

No remedy against the Issuer, other than as referred to in this Condition 11 and Clause 8 of the Trust Deed, shall be available to the Trustee or any Securityholder whether for the recovery of amounts owing in relation to or arising from the Perpetual Capital Securities and/or the Trust Deed or in respect of any breach by the Issuer of any of its other obligations relating to or arising from the Perpetual Capital Securities and/or the Trust Deed.

## 12 Meetings of Securityholders, Modification and Waiver

- (a) **Meetings of Securityholders:** The Trust Deed contains provisions for convening meetings of Securityholders to consider any matter affecting their interests, including the sanctioning by Extraordinary Resolution (as defined in the Trust Deed) of a modification of any of these Conditions or any provision of the Trust Deed. Such a meeting may be convened by Securityholders holding not less than 10% in nominal amount of the Perpetual Capital Securities for the time being outstanding. The quorum for any meeting convened to consider an Extraordinary Resolution shall be two or more persons holding or representing a clear majority in nominal amount of the Perpetual Capital Securities for the time being outstanding, or at any adjourned meeting two or more persons being or representing Securityholders whatever the nominal amount of the Perpetual Capital Securities held or represented, unless the business of such meeting includes consideration of proposals, *inter alia*, (i) to amend the dates of redemption of the Perpetual Capital Securities or any date for payment of Distribution or Distribution Amounts on the Perpetual Capital Securities, (ii) to reduce or cancel the nominal amount of, or any premium payable on redemption of, the Perpetual Capital

Securities, (iii) to reduce the rate or rates of Distribution in respect of the Perpetual Capital Securities or to vary the method or basis of calculating the rate or rates or amount of Distribution or the basis for calculating any Distribution Amount in respect of the Perpetual Capital Securities except as a result of any modification contemplated in Condition 4(l)), (iv) if a Minimum and/or a Maximum Rate of Distribution or Redemption Amount is shown in the applicable Pricing Supplement, to reduce any such Minimum and/or Maximum, (v) to vary any method of, or basis for, calculating the Final Redemption Amount, the Early Redemption Amount or the Optional Redemption Amount, (vi) to vary the currency or currencies of payment or the Specified Denomination of the Perpetual Capital Securities, (vii) to take any steps that as specified in the applicable Pricing Supplement may only be taken following approval by an Extraordinary Resolution to which the special quorum provisions apply, (viii) to modify the provisions concerning the quorum required at any meeting of Securityholders or the majority required to pass the Extraordinary Resolution, (ix) to modify Condition 3 in respect of the Perpetual Capital Securities or (x) to sanction the exchange or substitution for the Perpetual Capital Securities of, or the conversion of the Perpetual Capital Securities into, shares, bonds or other obligations or securities of the Issuer or any other entity in circumstances other than where "Conversion" is specified in the applicable Pricing Supplement and as contemplated by such provisions in which case the necessary quorum shall be two or more persons holding or representing not less than 75%, or at any adjourned meeting not less than 25%, in nominal amount of the Perpetual Capital Securities for the time being outstanding. Any Extraordinary Resolution duly passed shall be binding on all Securityholders (whether or not they were present at the meeting at which such resolution was passed).

The Trust Deed provides that a resolution in writing signed by or on behalf of the holders of not less than 90% in nominal amount of the Perpetual Capital Securities outstanding shall for all purposes be as valid and effective as an Extraordinary Resolution passed at a meeting of Securityholders duly convened and held. Such a resolution in writing may be contained in one document or several documents in the same form, each signed by or on behalf of one or more Securityholders.

The consent or approval of the Securityholders shall not be required in the case of amendments to these Conditions pursuant to Condition 4(l) to vary the method or basis of calculating the rate or rates or amount of distribution or the basis for calculating any Distribution Amount in respect of the Perpetual Capital Securities or for any other variation of these Conditions and/or the Agency Agreement required to be made in the circumstances described in Condition 4(l), where the requirements of Condition 4(l) have been satisfied (including the provision of a certificate to the Trustee, where applicable).

*These Conditions may be amended, modified or varied in relation to any Series of Perpetual Capital Securities by the terms of the applicable Pricing Supplement in relation to such Series.*

- (b) **Modification of the Trust Deed and waiver:** The Trustee may agree, without the consent of the Securityholders, to (i) any modification of any of the provisions of the Trust Deed which is, in its opinion, of a formal, minor or technical nature or is made to correct a manifest error or to comply with any mandatory provision of law, and (ii) any other modification (except as mentioned in the Trust Deed), and waive or authorize, on such terms as seem expedient to it, any breach or proposed breach, of any of the provisions of the Trust Deed that is in the opinion of the Trustee not materially prejudicial to the interests of the Securityholders. Notwithstanding any other provision of these Conditions or the Trust Deed, no modification to any Condition or any provision of the Trust Deed may be made without the prior approval of MAS where such

modifications could impact the eligibility of the Perpetual Capital Securities as Additional Tier 1 Capital Securities. Any such modification, authorization or waiver shall be binding on the Securityholders and, if the Trustee so requires, such waiver or authorization shall be notified by the Issuer to the Securityholders as soon as practicable.

- (c) **Entitlement of the Trustee:** In connection with the exercise of its functions (including but not limited to those referred to in this Condition 12(c)) the Trustee shall have regard to the interests of the Securityholders as a class and shall not have regard to the consequences of such exercise for individual Securityholders and the Trustee shall not be entitled to require, nor shall any Securityholder be entitled to claim, from the Issuer any indemnification or payment in respect of any tax consequence of any such exercise upon individual Securityholders.

### **13 Indemnification of the Trustee**

The Trust Deed contains provisions for the indemnification of the Trustee and for its relief from responsibility. The Trustee is entitled to enter into business transactions with the Issuer and any entity related to the Issuer without accounting for any profit.

Each Securityholder shall be solely responsible for making and continuing to make its own independent appraisal and investigation into the financial position, creditworthiness, condition, affairs, status and nature of the Issuer and the Trustee shall not at any time have any responsibility for the same and each Securityholder shall not rely on the Trustee in respect thereof.

The Trustee may accept and rely without liability to Securityholders on a report, confirmation or certificate or any advice of any accountants, financial advisors, financial institution or any other expert, whether or not addressed to it and whether their liability in relation thereto is limited (by its terms or by any engagement letter relating thereto entered into by the Trustee or in any other manner) by reference to a monetary cap, methodology or otherwise. Such report, confirmation or certificate or advice shall be binding on the Issuer, the Trustee and the Securityholders.

### **14 Replacement of Certificates**

If a Certificate is lost, stolen, mutilated, defaced or destroyed, it may be replaced, subject to applicable laws, regulations and stock exchange or other relevant authority regulations, at the specified office of the Registrar or such other Paying Agent or Transfer Agent, as the case may be, as may from time to time be designated by the Issuer for the purpose and notice of whose designation is given to Securityholders, in each case on payment by the claimant of the fees and costs incurred in connection therewith and on such terms as to evidence, security and indemnity (which may provide, *inter alia*, that if the allegedly lost, stolen or destroyed Certificate is subsequently presented for payment, there shall be paid to the Issuer on demand the amount payable by the Issuer in respect of such Certificates) and otherwise as the Issuer or such agent may require. Mutilated or defaced Certificates must be surrendered before replacements will be issued.

### **15 Further Issues**

The Issuer may from time to time without the consent of the Securityholders create and issue further securities either having the same terms and conditions as the Perpetual Capital Securities in all respects (or in all respects except for the first payment of Distribution on them) and so that such further issue shall be consolidated and form a single Series with the outstanding securities of any Series (including the Perpetual Capital Securities) or upon such

terms as the Issuer may determine at the time of their issue. References in these Conditions to the Perpetual Capital Securities include (unless the context requires otherwise) any other securities issued pursuant to this Condition 15 and forming a single Series with the Perpetual Capital Securities. Any further securities forming a single series with the outstanding securities of any Series (including the Perpetual Capital Securities) constituted by the Trust Deed or any deed supplemental to it shall, and any other securities may (with the consent of the Trustee), be constituted by the Trust Deed. The Trust Deed contains provisions for convening a single meeting of the Securityholders and the holders of securities of other Series where the Trustee so decides.

## **16 Notices**

Notices to Securityholders will be valid if published in a daily newspaper of general circulation in Singapore (which is expected to be *The Business Times* but may be another leading daily English language newspaper with general circulation in Singapore) or for so long as the Perpetual Capital Securities are listed on the SGX-ST and the rules of the SGX-ST so require, on the website of the SGX-ST ([www.sgx.com](http://www.sgx.com)). Any such notice shall be deemed to have been given on the date of publication.

*So long as the Perpetual Capital Securities are represented by the Global Certificate and the Global Certificate is held on behalf of (i) DTC, Euroclear or Clearstream, the Alternative Clearing System (as defined in the form of the Global Certificate) or CDP, notices to Securityholders shall be given by delivery of the relevant notice to DTC, Euroclear or Clearstream, the Alternative Clearing System or (subject to the agreement of CDP) CDP for communication by it to entitled accountholders in substitution for notification as required by these Conditions or (ii) CMU, notices to the holders of Perpetual Capital Securities of that Series may be given by delivery of the relevant notice to the persons shown in a CMU Instrument Position Report issued by the Hong Kong Monetary Authority on the business day preceding the date of dispatch of such notice, in each case except that if the Perpetual Capital Securities are listed on the SGX-ST, and the rules of the SGX-ST so require, notice will in any event be published as provided above.*

A Trigger Event Notice or notice of the issue of a Bail-in Certificate to the holders of any Perpetual Capital Securities shall be deemed to have been validly given on the date on which such notice is published in a daily newspaper of general circulation in Singapore (which is expected to be *The Business Times* but may be another leading daily English language newspaper with general circulation in Singapore) or so long as the Perpetual Capital Securities are listed on the SGX-ST and the rules of the SGX-ST so require, published on the website of the SGX-ST ([www.sgx.com](http://www.sgx.com)). Any such notice shall be deemed to have been given on the date of such publication or, if published more than once or on different dates, on the first date on which publication is made, as provided above.

## **17 Contracts (Rights of Third Parties) Act**

No person shall have any right to enforce any term or condition of the Perpetual Capital Securities under (i) if the Perpetual Capital Securities are specified in the applicable Pricing Supplement as being governed by English law, the Contracts (Rights of Third Parties) Act 1999 or (ii) if the Perpetual Capital Securities are specified in the applicable Pricing Supplement as being governed by Singapore law, Contracts (Rights of Third Parties) Act, Chapter 53B of Singapore.



## 18 Governing Law and Jurisdiction

- (a) **Governing Law:** The Trust Deed and, if the Perpetual Capital Securities are specified in the applicable Pricing Supplement as being governed by Singapore law, as supplemented by the Singapore Supplemental Trust Deed, the Perpetual Capital Securities and any non-contractual obligations arising out of or in connection with them are governed by, and shall be construed in accordance with, English or Singapore law, as specified in the applicable Pricing Supplement, save that Condition 3(a), Condition 3(b), Condition 3(c), Condition 11(b) and Condition 11(c) are in all cases governed by, and shall be construed in accordance with, Singapore law.
- (b) **Jurisdiction:**
- (i) If the Perpetual Capital Securities are specified in the applicable Pricing Supplement as being governed by English law, the courts of England are to have jurisdiction to settle any disputes that may arise out of or in connection with any Perpetual Capital Securities, save that the courts of Singapore shall have exclusive jurisdiction to settle any disputes that may arise out of Conditions 3(a), 3(b), 3(c), 11(b) and/or 11(c), and accordingly any legal action or proceedings arising out of or in connection with any Perpetual Capital Securities (“**Proceedings**”) may be brought in such courts. For Perpetual Capital Securities for which English law is specified as the governing law in the applicable Pricing Supplement, insofar as the Proceedings do not arise out of or are in connection with Conditions 3(a), 3(b), 3(c), 11(b) and/or 11(c), the Issuer irrevocably submits to the jurisdiction of the courts of England and waives any objection to Proceedings in such courts on the ground of venue or on the ground that the Proceedings have been brought in an inconvenient forum. This submission is made for the benefit of each of the holders of the Perpetual Capital Securities and shall not affect the right of any of them to take Proceedings in any other court of competent jurisdiction nor shall the taking of Proceedings in one or more jurisdictions preclude the taking of Proceedings in any other jurisdiction (whether concurrently or not). Insofar as the Proceedings arise out of or are in connection with Conditions 3(a), 3(b), 3(c), 11(b) and/or 11(c), all parties irrevocably submit to the exclusive jurisdiction of the courts of Singapore and waive any objection to Proceedings in such courts on the ground of venue or on the ground that the Proceedings have been brought in an inconvenient forum.
- (ii) If the Perpetual Capital Securities are specified in the applicable Pricing Supplement as being governed by Singapore law, the courts of Singapore are to have exclusive jurisdiction to settle any disputes that may arise out of or in connection with any Perpetual Capital Securities and accordingly any Proceedings shall be brought in such courts. For Perpetual Capital Securities for which Singapore law is specified as the governing law in the applicable Pricing Supplement, all parties irrevocably submit to the exclusive jurisdiction of the courts of Singapore and waive any objection to Proceedings in such courts on the ground of venue or on the ground that the Proceedings have been brought in an inconvenient forum.
- (c) **Service of Process:** For Perpetual Capital Securities for which English law is specified as the governing law in the applicable Pricing Supplement, the Issuer has in the Trust Deed agreed that its branch in England shall accept service of process on its behalf in respect of any Proceedings in England. If such branch ceases to be able to accept service of process in England, the Issuer shall immediately appoint a new agent to accept such service of process in England.

## SUMMARY OF PROVISIONS RELATING TO THE NOTES WHILE IN GLOBAL FORM

The following section does not apply to AMTNs and references in the following section to the “Issuing and Paying Agent”, the “CMU Lodging and Paying Agent”, the “CDP Paying Agent”, the “U.S. Paying Agent” and the “Registrar” shall be to the Issuing and Paying Agent, the CMU Lodging and Paying Agent, the CDP Paying Agent, the U.S. Paying Agent and the Registrar in respect of Notes other than AMTNs.

### Initial Issue of Notes

The Notes will be issued in series (each a “**Series**”) having one or more issue dates and on terms otherwise identical (or identical other than in respect of the first payment of interest (in respect of the Notes other than Perpetual Capital Securities) or Distributions (in respect of the Perpetual Capital Securities only), as applicable and their issue price), the Notes of each Series being intended to be interchangeable with all other Notes of that Series. Each Series may be issued in tranches (each a “**Tranche**”) on the same or different issue dates. The specific terms of each Tranche (which will be supplemented, where necessary, with supplemental terms and conditions and, save in respect of the issue date, issue price, first payment of interest (in respect of the Notes other than Perpetual Capital Securities) or Distributions (in respect of the Perpetual Capital Securities only), as applicable and nominal amount of the Tranche, will be identical to the terms of other Tranches of the same Series) will be set out in a Pricing Supplement to this Offering Memorandum.

Global Notes and Global Certificates may be delivered on or prior to the original issue date of the Tranche to a common depository or CDP or CMU or (in respect of Global Certificates) a custodian for DTC.

Upon the initial deposit of a Global Note with (i) CDP, (ii) a sub-custodian for the CMU, (iii) a common depository for Euroclear and Clearstream (a “**Common Depository**”) or (iv) any other permitted clearing system (an “**Alternative Clearing System**”) or registration of Registered Notes in the name of CDP or the HKMA as operator of the CMU or any nominee for Euroclear and Clearstream and delivery of the relevant Global Certificate to CDP, the CMU or Common Depository for Euroclear or Clearstream (as the case may be) will credit each subscriber with a nominal amount of Notes equal to the nominal amount thereof for which it has subscribed and paid. Upon the initial deposit of a Global Certificate in respect of, and registration of, Registered Notes in the name of a nominee for DTC and delivery of the relevant Global Certificate to the Custodian for DTC, DTC will credit each participant with a nominal amount of Notes equal to the nominal amount thereof for which it has subscribed and paid.

Notes that are initially deposited with the Common Depository may also be credited to the accounts of subscribers with (if indicated in the applicable Pricing Supplement) other clearing systems through direct or indirect accounts with CDP and/or the CMU and/or Euroclear and Clearstream held by such other clearing systems. Conversely, Notes that are initially deposited with any other clearing system may similarly be credited to the accounts of subscribers with CDP, the CMU, Euroclear, Clearstream or other clearing systems.

While any Note is represented by a Temporary Global Note, payments of principal, interest (if any) and any other amount payable in respect of the Notes due prior to the Exchange Date will be made against presentation of the Temporary Global Note only to the extent that certification (in a form to be provided) to the effect that the beneficial owners of interests in such Note are not U.S. persons or persons who have purchased for resale to any U.S. person, as required by U.S. Treasury regulations, has been received by the CMU Lodging and Paying Agent and/or CDP and/or Euroclear and/or Clearstream and (in the case of a Temporary Global Note delivered to a Common Depository for Euroclear and Clearstream) Euroclear and/or Clearstream, as applicable,

has given a like certification (based on the certifications it has received) to the Issuing and Paying Agent (in the case of Notes cleared through CMU), CMU has given a like certificate (based on the certification it has received) to the CMU Lodging and Paying Agent or (in the case of Notes cleared through CDP) CDP has given a like certificate (based on the certification it has received) to the CDP Paying Agent.

### **Relationship of Accountholders with Clearing Systems**

Each of the persons shown in the records of CDP, Euroclear, Clearstream, DTC or an Alternative Clearing System as the holder of a Note represented by a Global Note or a Global Certificate must look solely to CDP, Euroclear, Clearstream, DTC or any such Alternative Clearing System (as the case may be) for his share of each payment made by the Issuer to the bearer of such Global Note or the holder of the underlying Registered Notes, as the case may be, and in relation to all other rights arising under the Global Notes or Global Certificates, subject to and in accordance with the respective rules and procedures of CDP, Euroclear, Clearstream, DTC or such Alternative Clearing System (as the case may be). Such persons shall have no claim directly against us in respect of payments due on the Notes for so long as the Notes are represented by such Global Note or Global Certificate and our obligations will be discharged by payment to the bearer of such Global Note or the holder of the underlying Registered Notes, as the case may be, in respect of each amount so paid.

If a Global Note or Global Certificate is lodged with a sub-custodian for or registered with the CMU, the person(s) for whose account(s) interests in such Global Note or Global Certificate are credited as being held in the CMU in accordance with the CMU Rules as notified by the CMU to the CMU Lodging and Paying Agent in a relevant CMU Instrument Position Report (as defined in the rules of the CMU) or any other relevant notification by the CMU (which notification, in either case, shall be conclusive evidence of the records of the CMU save in the case of manifest error) shall be the only person(s) entitled or in the case of Registered Notes, directed or deemed by the CMU as entitled to receive payments in respect of Notes represented by such Global Note or Global Certificate and we will be discharged by payment to, or to the order of, such person(s) for whose account(s) interests in such Global Note or Global Certificate are credited as being held in the CMU in respect of each amount so paid. Each of the persons shown in the records of the CMU as the beneficial holder of a particular nominal amount of Notes represented by such Global Note or Global Certificate must look solely to the CMU Lodging and Paying Agent for his share of each payment so made by us in respect of such Global Note or Global Certificate.

### **Trustee's Powers**

In considering the interests of Noteholders or Securityholders, as the case may be, while any Global Note is held on behalf of, or any Global Certificate is registered in the name of any nominee for, a clearing system, the Trustee may have regard to any information provided to it by such clearing system or its operator as to the identity (either individually or by category) of its accountholders with entitlements to such Global Note or Global Certificate and may consider such interests as if such accountholders were the holders of the Notes represented by such Global Note or Global Certificate.

## **Exchange**

### ***Temporary Global Notes***

Each Temporary Global Note will be exchangeable, free of charge to the holder, on or after its Exchange Date:

- (i) if the applicable Pricing Supplement indicates that such Global Note is issued in compliance with TEFRA C or in a transaction to which TEFRA is not applicable (as to which, see “Summary of the Program – Selling Restrictions”), in whole, but not in part, for the Definitive Notes defined and described below; and
- (ii) otherwise, in whole or in part (provided that the relevant clearing system’s rules so permit) upon certification as to non-U.S. beneficial ownership in the form set out in the Agency Agreement dated for interests in a Permanent Global Note or, if so provided in the applicable Pricing Supplement, for Definitive Notes.

The CMU may require that any such exchange for a Permanent Global Note is made in whole and not in part and in such event, no such exchange will be effected until all relevant account holders (as set out in a CMU Instrument Position Report or any other relevant notification supplied to the CMU Lodging and Paying Agent by the CMU) have so certified.

### ***Permanent Global Notes***

Each Permanent Global Note will be exchangeable, free of charge to the holder, on or after its Exchange Date in whole but not, except as provided under “– Partial Exchange of Permanent Global Notes”, in part for Definitive Notes:

- (i) if the Permanent Global Note is held on behalf of Euroclear or Clearstream or the CMU or an Alternative Clearing System and any such clearing system is closed for business for a continuous period of 14 days (other than by reason of holidays, statutory or otherwise) or announces an intention permanently to cease business or in fact does so; or
- (ii) if the Permanent Global Note is held on behalf of CDP, (a) an Event of Default or a Default, enforcement event or analogous event entitling an accountholder or the Trustee to declare the Notes due and payable as provided in the relevant Conditions, has occurred and is continuing, (b) CDP is closed for business for a continuous period of 14 days (other than by reason of holidays, statutory or otherwise), (c) CDP announces an intention permanently to cease business and no Alternative Clearing System is available or (d) CDP has notified us that it is unable or unwilling to act as depository for the Notes and to continue performing its duties as set out in the terms and conditions for the provision of depository services and no Alternative Clearing System is available.

In the event that a Global Note is exchanged for Definitive Notes, such Definitive Notes shall be issued in Specified Denomination(s) only. A Noteholder who holds a nominal amount of less than the minimum Specified Denomination will not receive a Definitive Note in respect of such holding and would need to purchase a nominal amount of Notes such that it holds an amount equal to one or more Specified Denominations.

Notes which are represented by a Global Note will only be transferable in accordance with the rules and procedures for the time being of CDP, the CMU, Euroclear or Clearstream or an Alternative Clearing System, as the case may be.

For so long as a Permanent Global Note is held on behalf of a clearing system and the rules of that clearing system permit, such Permanent Global Note will be exchangeable in part on one or more occasions for Definitive Notes if so provided in, and in accordance with, the Conditions (which will be set out in the applicable Pricing Supplement) relating to Partly Paid Notes.

## **Global Certificate**

### ***Unrestricted Global Certificates***

If the Pricing Supplement states that the Notes are to be represented by an Unrestricted Global Certificate on issue, the following will apply in respect of transfers of Notes held in CDP, the CMU, Euroclear or Clearstream, DTC or an Alternative Clearing System. These provisions will not prevent the trading of interests in the Notes within a clearing system while they are held on behalf of such clearing system, but will limit the circumstances in which the Notes may be withdrawn from the relevant clearing system. Transfers of the holding of Notes represented by any Unrestricted Global Certificate pursuant to Note Condition 2(b) (in respect of the Notes other than Perpetual Capital Securities) and Perpetual Capital Securities Condition 2(a) (in respect of the Perpetual Capital Securities only) may be made:

- (i) in whole or in part, if the Unrestricted Global Certificate is held on behalf of Euroclear or Clearstream, the CMU or an Alternative Clearing System and any such clearing system is closed for business for a continuous period of 14 days (other than by reason of holidays, statutory or otherwise) or announces an intention permanently to cease business or does in fact do so; or
- (ii) in whole or in part, if the Global Certificate is held on behalf of CDP, (a) an Event of Default or a Default, enforcement event or analogous event entitling an accountholder or the Trustee to redeem the Notes due and payable as provided in the Conditions, has occurred and is continuing, (b) CDP is closed for business for a continuous period of 14 days (other than by reason of holidays, statutory or otherwise), (c) CDP announces an intention permanently to cease business and no Alternative Clearing System is available or (d) CDP has notified us that it is unable or unwilling to act as depository for the Notes and to continue performing its duties as set out in the terms and conditions for the provision of depository services and no Alternative Clearing System is available; or
- (iii) in whole but not in part, if such Notes are held on behalf of a Custodian for DTC and if DTC notifies us that it is no longer willing or able to discharge properly its responsibilities as depository with respect to that Unrestricted Global Certificate or DTC ceases to be a “clearing agency” registered under the Exchange Act or is at any time no longer eligible to act as such, and we are unable to locate a qualified successor within 90 days of receiving notice of such ineligibility on the part of DTC; or
- (iv) in whole or in part, with our consent,

provided that, in the case of the first transfer of part of a holding pursuant to paragraphs (i), (ii) and (iii) above, the Registered Holder has given the Registrar not less than 30 days’ notice at its specified office of the Registered Holder’s intention to effect such transfer.

### ***Restricted Global Certificates***

If the Pricing Supplement states that the Restricted Notes are to be represented by a Restricted Global Certificate on issue, the following will apply in respect of transfers of Notes held in DTC. These provisions will not prevent the trading of interests in the Notes within a clearing system while they are held on behalf of DTC, but will limit the circumstances in which the Notes may be withdrawn from DTC. Transfers of the holding of Notes represented by that Restricted Global

Certificate pursuant to Note Condition 2(b) (in respect of the Notes other than Perpetual Capital Securities) and Perpetual Capital Securities Condition 2(a) (in respect of the Perpetual Capital Securities only) may only be made:

- (i) in whole but not in part, if such Notes are held on behalf of a Custodian for DTC and if DTC notifies us that it is no longer willing or able to discharge properly its responsibilities as depository with respect to that Restricted Global Certificate or DTC ceases to be a “clearing agency” registered under the Exchange Act or is at any time no longer eligible to act as such, and we are unable to locate a qualified successor within 90 days of receiving notice of such ineligibility on the part of DTC; or
- (ii) in whole or in part, with our consent,

provided that, in the case of any transfer pursuant to paragraph (i) above, the relevant Registered Holder has given the relevant Registrar not less than 30 days’ notice at its specified office of the Registered Holder’s intention to effect such transfer. Individual Certificates issued in exchange for a beneficial interest in a Restricted Global Certificate shall bear the legend applicable to such Notes as set out in “Transfer Restrictions”.

### **Partial Exchange of Permanent Global Notes**

For so long as a Permanent Global Note is held on behalf of a clearing system and the rules of that clearing system permit, such Permanent Global Note will be exchangeable in part on one or more occasions for Definitive Notes if so provided in, and in accordance with, the Note Conditions (which will be set out in the applicable Pricing Supplement) relating to Partly Paid Notes.

### **Delivery of Notes**

On or after any due date for exchange, the holder of a Global Note may surrender such Global Note or, in the case of a partial exchange, present it for endorsement to or to the order of the relevant Paying Agent. In exchange for any Global Note, or the part thereof to be exchanged, we will (i) in the case of a Temporary Global Note exchangeable for a Permanent Global Note, deliver, or procure the delivery of, a Permanent Global Note in an aggregate nominal amount equal to that of the whole or that part of a Temporary Global Note that is being exchanged or, in the case of a subsequent exchange, endorse, or procure the endorsement of, a Permanent Global Note to reflect such exchange or (ii) in the case of a Global Note exchangeable for Definitive Notes, deliver, or procure the delivery of, an equal aggregate nominal amount of duly executed and authenticated Definitive Notes. Global Notes and Definitive Notes will be delivered outside the United States and its possessions. In this Offering Memorandum, “**Definitive Notes**” means, in relation to any Global Note, the definitive Bearer Notes for which such Global Note may be exchanged (if appropriate, having attached to them all Coupons and Receipts in respect of interest (in respect of the Notes other than Perpetual Capital Securities) or Installment Amounts that have not already been paid on the Global Note and, if applicable, a Talon). Definitive Notes will be security printed in accordance with any applicable legal and stock exchange requirements in or substantially in the form set out in the Schedules to the Trust Deed. On exchange in full of each Permanent Global Note, we will, if the holder so requests, procure that it is canceled and returned to the holder together with the relevant Definitive Notes.

### **Exchange Date**

“**Exchange Date**” means, in relation to a Temporary Global Note, the day falling after the expiry of 40 days after its issue date and, in relation to a Permanent Global Note, a day falling not less than 60 days after that on which the notice requiring exchange is given and on which banks are open for business in the city in which the specified office of the relevant Paying Agent is located and in the city in which the relevant clearing system is located.

## Amendment to Conditions

The Temporary Global Notes, Permanent Global Notes and Global Certificates contain provisions that apply to the Notes that they represent, some of which modify the effect of the Conditions set out in this Offering Memorandum. The following is a summary of certain of those provisions:

### Payments

Except in the case of Definitive Notes where an applicable Fixed Coupon Amount or Broken Amount is specified in the applicable Pricing Supplement, interest shall be calculated in respect of any period by applying the rate of interest or Distribution to:

- (A) in the case of Fixed Rate Notes or Perpetual Capital Securities which are represented by a Global Note, the aggregate outstanding nominal amount of the Fixed Rate Notes or Perpetual Capital Securities represented by such Global Note (or, if they are Partly Paid Notes, the aggregate amount paid up); or
- (B) in the case of Fixed Rate Notes or Perpetual Capital Securities in definitive form, the Calculation Amount;

and, in each case, multiplying such sum by the applicable Day Count Fraction.

No payment falling due after the Exchange Date will be made on any Global Note unless exchange for an interest in a Permanent Global Note or for Definitive Notes is improperly withheld or refused. Payments on any Temporary Global Note issued in compliance with TEFRA D before the Exchange Date will only be made against presentation of certification as to non-U.S. beneficial ownership in the form set out in the Agency Agreement. All payments in respect of Notes represented by a Global Note will be made against presentation for endorsement and, if no further payment falls to be made in respect of the Notes, surrender of that Global Note to or to the order of the Issuing and Paying Agent or such other Paying Agent as shall have been notified to the Noteholders or the Securityholders, as the case may be, for such purpose. A record of each payment so made will be endorsed on each Global Note, which endorsement will be prima facie evidence that such payment has been made in respect of the Notes. For the purpose of any payments made in respect of a Global Note, the relevant place of presentation shall be disregarded in the definition of "business day" set out in Note Condition 7(j) (in respect of the Notes other than the Perpetual Capital Securities).

All payments made in respect of Notes represented by a Global Certificate held on behalf of Euroclear or Clearstream will be made to, or to the order of, the person whose name is entered on the Register at the close of business on the Clearing System Business Day immediately prior to the date for payment, where "**Clearing System Business Day**" means Monday to Friday inclusive except December 25 and January 1.

In respect of a Global Note or a Global Certificate representing Notes held through the CMU, any payments of principal, interest (if any) or any other amounts shall be made to the person(s) for whose account(s) interests in the relevant Global Note or Global Certificate are credited (as set out in a CMU Instrument Position Report or any other relevant notification supplied to the CMU Lodging and Paying Agent by the CMU) at the close of business on the Clearing System Business Day immediately prior to the date for payment and, save in the case of final payment, no presentation of the relevant bearer Global Note or Global Certificate shall be required for such purpose.

So long as the Notes are represented by a Global Note or Global Certificate and the Global Note or, as the case may be, the Global Certificate is held on behalf of a clearing system, the Issuer has promised, *inter alia*, to pay interest or, as the case may be, Distributions in respect of such Notes from the Interest Commencement Date, or as the case may be, the Distribution Commencement Date in arrear at the rates, on the dates for payment, and in accordance with the method of calculation provided for in the Conditions, save that the calculation is made in respect of the total aggregate amount of the Notes represented by the Global Note, or as the case may be, the Global Certificate.

All amounts payable to DTC or its nominee as registered holder of a Global Certificate in respect of Notes denominated in a specified currency other than U.S. dollars shall be paid by transfer by the U.S. Paying Agent to an account in the relevant specified currency of the Exchange Agent on behalf of DTC or its nominee for conversion into and payment in U.S. dollars unless the participant in DTC with an interest in the Notes has elected to receive any part of such payment in that Specified Currency, in the manner specified in the Agency Agreement and in accordance with the rules and procedures for the time being of DTC. In the case of any payment in respect of a Global Certificate denominated in a specified currency other than U.S. dollars and registered in the name of DTC or its nominee and in respect of which an accountholder of DTC (with an interest in such Global Certificate) has not elected to receive any part of such payment in a specified currency other than U.S. dollars, the definition of “business day” set out in Note Condition 7(j) and Perpetual Capital Securities Condition 8(e) shall also include a day on which commercial banks are not authorized or required by law or regulation to be closed in New York City.

All payments made in respect of Notes represented by a Global Certificate held by CDP will be made to, or to the order of, the person whose name is entered on the Register at the close of business on the fifth business day prior to the date of payment.

### **Suspension of Transfers on Trigger Event**

Subject to the procedures of CDP, the CMU, DTC, Euroclear or Clearstream, as applicable (in the case of Subordinated Notes or Perpetual Capital Securities held and cleared through CDP, the CMU, DTC, Euroclear or Clearstream, as the case may be), transfers of Subordinated Notes represented by the Global Notes or the Global Certificates and transfers of Perpetual Capital Securities represented by Global Certificates shall be suspended during any Suspension Period. As a result, holders will not be able to settle the transfer of any such Subordinated Notes or Perpetual Capital Securities from the commencement of the Suspension Period, and any sale or other transfer of such Subordinated Notes or Perpetual Capital Securities that a holder may have initiated prior to the commencement of the Suspension Period that is scheduled to settle during the Suspension Period will be rejected by CDP, the CMU, DTC, Euroclear or Clearstream, as applicable and will not be settled within CDP, the CMU, DTC, Euroclear or Clearstream, as the case may be.

### **Prescription**

Claims against us in respect of Notes that are represented by a Permanent Global Note will become void unless it is presented for payment within a period of 10 years (in the case of principal) and five years (in the case of interest (in respect of the Notes other than the Perpetual Capital Securities)) from the appropriate Relevant Date (as defined in Note Condition 8).

### **Meetings**

The holder of a Permanent Global Note or of the Notes represented by a Global Certificate shall (unless such Permanent Global Note or Global Certificate represents only one Note) be treated as being two persons for the purposes of any quorum requirements of a meeting of Noteholders or Securityholders, as the case may be, and, at any such meeting, the holder of a Permanent



Global Note shall be treated as having one vote in respect of each minimum Specified Denomination of Notes for which such Global Note may be exchanged. All holders of Registered Notes are entitled to one vote in respect of each Note comprising such Noteholder's or Securityholder's, as the case may be, holding, whether or not represented by a Global Certificate.

### **Cancelation**

Cancelation of any Note represented by a Permanent Global Note that is required by the Note Conditions to be canceled (other than upon its redemption) will be effected by reduction in the principal amount of the relevant Permanent Global Note.

### **Purchase**

Notes represented by a Permanent Global Note may only be purchased by us or any of our subsidiaries if they are purchased together with the rights to receive all future payments of interest (in respect of the Notes other than the Perpetual Capital Securities) and Installment Amounts (if any) thereon.

### **Issuer's Option**

Any of our option provided for in the Conditions of any Notes while such Notes are represented by a Permanent Global Note shall be exercised by us giving notice to the Noteholders within the time limits set out in and containing the information required by the Note Conditions, in accordance with the rules and procedures of Euroclear and Clearstream and any Alternative Clearing System, as applicable, except that the notice shall not be required to contain the serial numbers of Bearer Notes drawn, in the case of a partial exercise of an option and accordingly no drawing of Notes shall be required. In the event that any of our options are exercised in respect of some but not all of the Notes of any Series, the rights of accountholders with a clearing system in respect of the Notes will be governed by the standard procedures of Euroclear and/or Clearstream (to be reflected in the records of Euroclear and Clearstream as either a pool factor or a reduction in nominal amount, at their discretion), CDP, the CMU, DTC or any other clearing system (as the case may be).

### **Noteholders'/Securityholders' Options**

Any option of the Noteholders or the Securityholders, as the case may be, provided for in the relevant Conditions of any Notes while such Notes are represented by a Permanent Global Note or Global Certificate may be exercised by the holder of the Permanent Global Note or Global Certificate giving notice to the Issuing and Paying Agent (or, in the case of Notes lodged with the CMU, the CMU Lodging and Paying Agent and, in the case of Notes cleared through CDP, the CDP Paying Agent and, in case of Notes cleared through DTC, the U.S. Paying Agent) within the time limits relating to the deposit of Notes with a Paying Agent set out in the Conditions substantially in the form of the notice available from any Paying Agent, except that the notice shall not be required to contain the serial numbers of the Bearer Notes, or in the case of Registered Notes shall not be required to specify the nominal amount of Registered Notes and the holder(s) of such Registered Notes, in respect of which the option has been exercised, and stating the nominal amount of Notes in respect of which the option is exercised and at the same time presenting the Permanent Global Note or Global Certificate to the Issuing and Paying Agent, or, in the case of Notes lodged with the CMU, the CMU Lodging and Paying Agent or, in the case of Notes cleared through CDP, the CDP Paying Agent (or, in case of Notes cleared through DTC, the U.S. Paying Agent), or to a Paying Agent acting on behalf of the Issuing and Paying Agent, the CMU Lodging and Paying Agent, the CDP Paying Agent or, as the case may be, the U.S. Paying Agent, for notation.

## **Direct Rights in respect of Notes cleared through CDP**

If any Event of Default or Default has occurred and is continuing, the Trustee may state in a notice given to the CDP Paying Agent and us (the “**default notice**”) the nominal amount of Notes (which may be less than the outstanding nominal amount of the relevant Global Note or Unrestricted Global Certificate) which is being declared due and payable. Following the giving of the default notice, the holder of the Notes represented by the relevant Global Note or Unrestricted Global Certificate, as the case may be, cleared through CDP may (subject as provided below) elect that direct rights (“**Direct Rights**”) under the provisions of the deed of covenant executed as a deed by us on August 31, 2012 as supplemented on March 9, 2018 (the “**CDP Deed of Covenant**”) shall come into effect in respect of a nominal amount of Notes up to the aggregate nominal amount in respect of which such default notice has been given. Such election shall be made by notice to the CDP Paying Agent and the Registrar in the case of the Global Certificate and presentation of the relevant Global Note or Unrestricted Global Certificate, as the case may be, to or to the order of the Issuing and Paying Agent for reduction of the nominal amount of Notes represented by the relevant Global Note or Unrestricted Global Certificate, as the case may be, by such amount as may be stated in such notice and by endorsement of the appropriate Schedule hereto of the nominal amount of Notes in respect of which Direct Rights have arisen under the CDP Deed of Covenant. Upon each such notice being given, the Global Note or Global Certificate, as the case may be, shall become void to the extent of the nominal amount stated in such notice, save to the extent that the appropriate Direct Rights shall fail to take effect. No such election may however be made on or before the Exchange Date or the date of transfer in respect of an Unrestricted Global Certificate unless the holder elects in such notice that the exchange for such Notes shall no longer take place.

## **Notices**

So long as any Notes are represented by a Global Note or Global Certificate and such Global Note or Global Certificate is held on behalf of a (i) clearing system (other than CMU), notices to the Noteholders or the Securityholders, as the case may be, of that Series may be given by delivery of the relevant notice to that clearing system (subject, in the case of the Global Note or Global Certificate held by CDP, to the agreement of CDP) for communication by it to entitled accountholders in substitution for publication as required by the relevant Conditions or by delivery of the relevant notice to the holder of the Global Note or Global Certificate or (ii) the CMU, notices to the holders of Senior Notes of that Series may be given by delivery of the relevant notice to the persons shown in a CMU Instrument Position Report issued by the CMU on the business day preceding the date of despatch of such notice as holding interests in the relevant Global Note or Global Certificate, and any such notice shall be deemed to have been given to the holders of Notes of that Series on the second business day on which such notice is delivered to the persons shown in the CMU Instrument Position Report, in each case except that if the Notes are listed on the SGX-ST, and the rules of the SGX-ST so require, notice will in any event be published in accordance with the relevant Conditions.

## **Partly Paid Notes**

The provisions relating to Partly Paid Notes are not set out in this Offering Memorandum, but will be contained in the applicable Pricing Supplement and thereby in the Global Notes or the Global Certificates. While any installments of the subscription moneys due from the holder of Partly Paid Notes are overdue, no interest in a Global Note or a Global Certificate representing such Notes may be exchanged for an interest in a Permanent Global Note, for Definitive Notes or for Certificates (as the case may be). If any Noteholder fails to pay any installment due on any Partly Paid Notes within the time specified, we may forfeit such Notes and shall have no further obligation to their holder in respect of them.

## **USE OF PROCEEDS**

The proceeds of Notes issued under the Program will be used for general corporate purposes.

## BUSINESS

### Overview

We are Singapore's longest established local bank, founded in 1932 through the amalgamation of three banks – Chinese Commercial Bank Limited (incorporated in 1912), Ho Hong Bank (incorporated in 1917) and Oversea-Chinese Bank Limited (incorporated in 1919). We are the second largest financial services group in Southeast Asia by total assets as of June 30, 2020. In Singapore, we are the second largest banking group by total assets as of June 30, 2020. Recognised for our financial strength and stability, we have been consistently ranked among the World's Top 50 Safest Banks by Global Finance and has been named Best Managed Bank in Singapore by the Asian Banker. We are listed on the SGX-ST and are one of the largest listed companies in Singapore by market capitalization. Our market capitalization was approximately S\$39.6 billion (U.S.\$28.4 billion) as of June 30, 2020, based on the closing price of our ordinary shares.

We offer a broad array of commercial banking, specialist financial and wealth management services, ranging from consumer, corporate, investment, private and transaction banking to treasury, insurance, asset management and stockbroking services. We employ more than 30,000 staff globally.

We have operations in 19 countries and regions including Singapore, Malaysia, Indonesia, Mainland China, Hong Kong SAR, Macau SAR, Taiwan, Thailand, Vietnam, Brunei, Myanmar, South Korea, Japan, Australia, the United Kingdom, Luxembourg, Dubai and the United States. Our key markets are Singapore, Malaysia, Indonesia and Greater China. As of June 30, 2020, we had a global network of more than 500 branches and representative offices. These include over 250 branches and offices in Indonesia under subsidiary Bank OCBC NISP, and over 80 branches and offices in Mainland China, Hong Kong SAR and Macau SAR under OCBC Wing Hang. In Malaysia, where we have been operating for more than 80 years, our wholly-owned banking subsidiary, OCBC Bank (Malaysia) Berhad ("**OCBC Malaysia**"), is among the leading foreign banks by assets, loans, and deposits in the country. In 2004, we increased our presence in Indonesia with the acquisition of a stake in the former Bank NISP, and as of June 30, 2020, we owned an 85.1% stake in the renamed OCBC NISP. In May 2019, Great Eastern acquired 95% stake in PT QBE General Insurance Indonesia, as part of its broader business strategy to further build its general insurance operations into a significant business pillar and to deepen its footprint in Indonesia. In China, where we have maintained a continuous presence since 1925, we established our wholly-owned locally incorporated subsidiary, OCBC China, in 2007. Our Greater China presence was further entrenched when we first acquired a majority stake in Wing Hang Bank in July 2014, before rebranding it as OCBC Wing Hang in Hong Kong SAR and Macau SAR and assuming full ownership in October 2014. It was subsequently delisted from the Hong Kong Stock Exchange in October 2014. OCBC Wing Hang added a network of 95 branches and offices spanning across Hong Kong SAR, Macau SAR and Mainland China to our Greater China franchise. OCBC Wing Hang's subsidiary in Mainland China, Wing Hang Bank (China) Limited, was officially merged with OCBC Bank (China) Limited in July 2016, with the resulting entity becoming OCBC Wing Hang Bank (China) Limited. With this merger, OCBC Bank has also complied with China's single presence policy for foreign banks. OCBC Wing Hang now has more than 80 branches and offices in Hong Kong SAR, Macau SAR and Mainland China as of June 30, 2020. In addition, we have deepened our strategic partnership with Bank of Ningbo, by increasing our equity stake from 15.3% to 20.0%, which made it an associated company of OCBC Bank in 2014.

Our other financial services businesses, such as insurance, private banking, asset management and stockbroking, are conducted mainly through our subsidiaries. Our 87.9%-owned insurance subsidiary, Great Eastern Holdings, which is listed on the SGX-ST, is the oldest and most established life insurance group in Singapore and Malaysia and is a significant contributor to our

profit, accounting for 22.4% of our profit before income tax for the six months ended June 30, 2020 and 18.4% of our profit before income tax in the financial year ended December 31, 2019. In January 2010, we completed the acquisition of ING Asia Private Bank, which we combined with our private banking operations, and rebranded the merged business as Bank of Singapore. Bank of Singapore had S\$157 billion (U.S.\$113 billion) in assets under management as of June 30, 2020. Our asset management subsidiary, Lion Global Investors Limited (“**Lion Global**”), which is 70%-owned by Great Eastern Holdings and 30%-owned by Orient Holdings Private Limited, a wholly-owned subsidiary of OCBC Bank, is one of the largest private sector asset managers in Southeast Asia as of June 30, 2020.

As of June 30, 2020, we had S\$510,002 million (U.S.\$365,436 million) in assets, including S\$264,391 million (U.S.\$189,446 million) in loans to customers. As of June 30, 2020, we also had S\$309,731 million (U.S.\$221,934 million) in non-bank customer deposits and S\$47,884 million (U.S.\$34,311 million) in shareholders’ equity, excluding non-controlling interests.

For the six months ended June 30, 2020 and in the financial year ended December 31, 2019, we reported profit attributable to equity holders of OCBC Bank of S\$1,428 million (U.S.\$1,023 million) and S\$4,869 million (U.S.\$3,615 million), respectively. Our Singapore operations accounted for 15.2% and 55.5% of profit before income tax and 58.5% and 58.4% of total assets for the six months ended June 30, 2020 and in the financial year ended December 31, 2019, respectively, our Greater China operations accounted for 41.4% and 19.9% of profit before income tax and 16.9% and 16.6% of total assets for the six months ended June 30, 2020 and in the financial year ended December 31, 2019, respectively, our Malaysia operations accounted for 26.0% and 14.3% of profit before income tax and 13.0% and 13.3% of total assets for the six months ended June 30, 2020 and in the financial year ended December 31, 2019, respectively, and our Indonesian operations accounted for 9.4% and 4.7% of profit before income tax and 3.5% and 3.6% of total assets for the six months ended June 30, 2020 and in the financial year ended December 31, 2019, respectively.

As of June 30, 2020, our CET1 CAR, Tier 1 CAR and Total CAR were 14.2%, 14.9% and 16.4%, respectively. We have one of the highest credit ratings among banks in Asia, with long-term issuer credit ratings of “Aa1” by Moody’s, “AA-” by S&P and “AA-” by Fitch. In addition, Moody’s and S&P each has a “Stable” outlook on our rating while Fitch has placed our outlook to Rating Watch Negative in April 2020 to reflect the increased near-term downside risks from the economic implications of the COVID-19 pandemic. We have also received numerous awards, including: “Among the World’s Top 50 Safest Banks” (Global Finance 2017), “Among the World’s Top 10 Commercial Banks” (Global Finance 2017), “Strongest Bank in Singapore” (The Asian Banker 500 Strongest Banks in Asia Pacific 2017), “Best in Sector (Finance) and Fastest Growing Company in Finance Sector” (The Edge Singapore Billion Dollar Club ‘17), and “Best Bank in Asia-Pacific” and “World’s Best Consumer Bank” (Global Finance 2019).

## **Recent Developments**

COVID-19 outbreak has impacted individuals, businesses, and communities globally. We have accelerated our digital transformation journey over the last few years and this has come in particularly useful during this period. For example, in Singapore, our customers can apply for and instantly use credit cards, personal loans, bank accounts and lines of credit after applying through digital channels, and start-ups can open their business accounts with us digitally and instantly. We launched a wide spectrum of digitally-enabled products for our retail and corporate customers with many first-in-markets, and many financial transactions today can now be performed digitally on our mobile banking or Internet banking platforms, or at our ATMs.

Earnings in the first two months of 2020 were strong, but these were impacted from March onwards by increased business disruptions and slowdown in customer activities as countries implemented various measures to limit movements and interactions to curb the transmission of

COVID-19 outbreak. The first half-year period for 2020 also saw a severe contraction in the global economy, significant financial market volatility and aggressive policy support measures, including sizeable cuts in global interest rates and sharp increases in fiscal spending to drive growth and demand. Towards the end of the second quarter of 2020, there was some pick-up in activity in our key markets as economies cautiously reopened, while financial markets also gradually recovered from their March lows. Despite the early signs of a very gradual recovery, the weak business and consumer sentiments continued to weigh on capital investments, as well as employment, trade and economic growth.

For our customers, we have extended targeted relief measures to support impacted customers, including principal moratorium, bridging loans and additional working capital lines.

The COVID-19 outbreak has prompted us to accelerate our digital roadmap as businesses shifted online to deal with restricted movement. We expect this trend to continue post pandemic as we see less tech-savvy customers take their first steps towards using digital channels. Relief applications are now entirely processed and approved digitally in Singapore and Malaysia. As such, we will continue to promote our digital channels with development of features that are convenient and intuitive for our customers and continue to actively reach out to encourage and educate customers on the use of digital services. Hence, we would need to continue investing in technology and further digitalisation in the areas of customer interaction and customer experience, internal processing and infrastructure build. COVID-19 could also modify our future branches' model, given the wider acceptance of banking through digital channels and the availability of additional electronic solutions.

On the sustainable front, we have set a new target of S\$25 billion by 2025 for our sustainable finance portfolio in June 2020. Our original S\$10 billion target was surpassed in the first quarter of 2020 – two years ahead of the 2022 schedule. Sustainable finance's strong growth momentum is expected to continue over the next few years despite COVID-19.

## **Strengths**

### ***Established regional franchise, with a strong focus on further building our wealth management business***

We are the second largest financial services group in Southeast Asia by total assets as of June 30, 2020, with established franchises in our key markets of Singapore, Malaysia, Indonesia and Greater China through our key subsidiaries. We have bank branches and representative offices in 19 countries and regions internationally. In Singapore, we are the second largest banking group by assets as of June 30, 2020. In Malaysia, our subsidiary, OCBC Malaysia is among the leading foreign banks by assets, loans, and deposits. Our subsidiary in Indonesia, OCBC NISP, was among the top eight national banks by assets as of June 30, 2020. In Greater China, our larger combined presence with OCBC Wing Hang gives us a sizeable platform to tap into the increasing trade links between North and Southeast Asia, secure onshore and offshore business opportunities associated with the growing internationalization of the Renminbi and partner more Chinese companies that are investing offshore. We have also secured a stronger deposit franchise in the region and our enhanced access to the U.S. dollar and Renminbi enables us to better support our customers' cross-border requirements. We also expect that there will be substantial opportunities to cross-sell wealth and bancassurance products and services to OCBC Wing Hang's affluent customers. Our strong presence in Greater China coupled with our long and penetrating establishment in Southeast Asia will allow us to capture the increasing opportunities from the growing connectivity, such as capital, wealth and trade flows. In 2015, we opened a new branch in Myanmar offering banking services to foreign companies and joint ventures as well as domestic banks in Myanmar. In 2017, we completed the acquisition of National Australia Bank's Private Wealth business in Singapore and Hong Kong SAR. In the same year, we also grew our wealth management footprint in Indonesia with the launch of onshore private banking services,

while Bank of Singapore opened a new branch in the Dubai International Financial Centre to serve customers in the Middle East. In April 2019, Bank of Singapore officially established its wealth management subsidiary, BOS Wealth Management Europe, in Luxembourg (and branch office in London) that further positions us to capture opportunities in Europe. In 2019, Great Eastern General Insurance Limited completed the acquisition of 95% of the share capital of PT QBE General Insurance Indonesia, a general insurance company in Indonesia. We continue to work closely with Bank of Ningbo, our 20% associated company, leveraging mutual strengths in product and business development, in areas such as offshore financing, trade finance, private banking, treasury and fund management. Our presence in North and Southeast Asia is attractive to customers who seek to capture opportunities both within and beyond their home markets.

Our key subsidiaries are among the leading players in their respective markets. Great Eastern Holdings is the oldest and most established life insurance group in Singapore and Malaysia. With over S\$90 billion in assets as of June 30, 2020, it has three distribution channels – a tied agency force, bancassurance and a financial advisory firm, Great Eastern Financial Advisers. Two of Great Eastern Holdings' key operating subsidiaries, Great Eastern Life Assurance Company Limited ("**Great Eastern Life**") and Great Eastern General Insurance Limited, have been assigned the financial strength and counterparty credit ratings of "AA-" by Standard and Poor's since 2010, one of the highest among Asian life insurance companies. Lion Global is one of the largest private sector asset managers in Southeast Asia in terms of assets under management as of June 30, 2020. In 2017, our private banking subsidiary, Bank of Singapore, was voted the "Outstanding Private Bank for Southeast Asia and Asia-Pacific" by Private Banker International, as well as "Best Private Bank in Singapore and Indonesia" by The Banker and Professional Wealth Management. In 2019, Bank of Singapore was awarded as Best Private Bank in Singapore by Professional Wealth Management and the Banker.

Our wealth management business comprises the consolidated income from our insurance, asset management, stockbroking and private banking subsidiaries, plus the Group's income from the sales of unit trusts, bancassurance products, structured deposits and other treasury products to consumer customers. Wealth management has been a key component of our strategy, contributing 31% of our income for the six months ended June 30, 2020, and we continue to focus on building this business. We are a major distributor of unit trusts and bancassurance products to the mass market segment, and have strong insurance, asset management, private banking, stock brokerage and treasury capabilities that collectively contribute to our wealth management business.

### ***Well-diversified franchise driving long-term growth***

OCBC Group reported profit attributable to equity holders of OCBC Bank of S\$4,492 million for the financial year ended December 31, 2018, 11% higher as compared to S\$4,045 million for the financial year ended December 31, 2017. This was largely driven by record earnings from the Group's banking operations, led by income growth, disciplined cost control and lower allowances. For the financial year ended December 31, 2019, we reported profit attributable to equity holders of OCBC Bank of S\$4,869 million (U.S.\$3,615 million), 8% higher than S\$4,492 million a year ago. The resilient performance was driven by sustained earnings growth across our banking, wealth management and insurance franchise. Our profit attributable to equity holders of OCBC Bank for first half 2020 was S\$1,428 million (U.S.\$1,023 million), 42% lower than a year ago, after prudently setting aside significantly higher allowances against expected credit losses on a forward-looking basis in the deteriorating economic environment brought about by the COVID-19 pandemic.

We maintain disciplined cost management practices; the following set out the cost-to-income ratios for each of the three-month periods beginning April 1, 2019:

- (a) For the three-month period ended June 30, 2019, our cost-to-income ratio was 44.0%;
- (b) For the three-month period ended September 30, 2019, our cost-to-income ratio was 42.6%;
- (c) For the three-month period ended December 31, 2019, our cost-to-income ratio was 43.3%;
- (d) For the three-month period ended March 31, 2020, our cost-to-income ratio was 44.5%; and
- (e) For the three-month period ended June 30, 2020, our cost-to-income ratio was 42.2%.

### ***Diversified loan book with strong growth drivers***

We have a diversified loan book, by both geography and industry, and our policy is to maintain a diversified customer loan portfolio without significant concentrations in any single customer or group of customers. As of June 30, 2020, Singapore accounted for 40.8% of our loans to customers, while international markets, including mainly Malaysia, Indonesia and Greater China, accounted for 59.2% of our loans to customers. By industry classification, loans to the building and construction industry form the largest segment of our loan portfolio, yet only represented 25.8% of our loans to customers as of June 30, 2020.

We have seen healthy loan growth in most of our key markets over the last three and a half years. From the financial year ended December 31, 2017 to the financial year ended December 31, 2019, our Singapore loans grew at a compound growth rate of 4.5%. Our international loans (including Malaysia, Indonesia and Greater China) grew at a compound growth rate of 6.5% over the same period. Our total loans grew at a compound growth rate of 5.6% over the same period. From the six months ended June 30, 2019 to the six months ended June 30, 2020, our Singapore loans remained relatively unchanged. Our international loans (including Malaysia, Indonesia and Greater China) grew at a compound growth rate of 3.4% over the same period. Our total loans grew at a compound growth rate of 2.0% over the same period.

Due to COVID-19, we saw a fall in consumer and trade-related credit demand as economic activity slowed in the second quarter of 2020. We expect loan demand to continue to be very muted in this challenging market environment and outlook as consumer sentiments and business confidence stay weak. We will remain watchful of near-term impact on earnings growth and continue our vigilance over vulnerable sectors. We will also continue to focus on asset composition and cost control that are in line with revenue expectations.

### ***Comprehensive risk management framework and healthy asset quality***

We have a comprehensive enterprise-wide risk management framework that encompasses good governance, sound policies, robust lines of defence, right expertise as well as significant investments in technology, underpinned by a corporate culture that demands accountability and ownership as well as high ethical standards. Our credit risk management framework includes a disciplined process for identifying target markets and setting risk acceptance criteria, regular portfolio reviews and stress testing, a strong emphasis on early problem loan recognition and effective remedial actions, an independent credit risk review function, and adequate staffing and training. Our credit risk management framework captures the complete credit risk management cycle. It is operationalised through policies and procedures covering the identification, assessment, measurement, monitoring and control of credit risk at the enterprise level. We also have a Responsible Financing framework and supporting policies that integrate Environmental, Social and Governance (ESG) considerations into our credit risk evaluation and approval process. Through the framework, sustainability is integrated across our corporate lending activities from strategic and portfolio to transaction level. Please refer to our Sustainability Report for more information on responsible financing.



Consistent application of these risk management policies and processes has contributed to a steady state in our asset quality over the past ten years. As of June 30, 2020, our NPL ratio was 1.6%. Approximately 0.8% of this arose from NPLs related to the offshore support services and vessels in the oil and gas industry.

### ***Sound liquidity and funding structure***

We actively manage our liquidity and funding positions to diversify our funding sources and achieve greater cost efficiency. Our funding mix is diversified: as of June 30, 2020, non-bank deposits formed 73.6% of our total funding requirements (total equity and total liabilities excluding life insurance fund liabilities), with low cost current account and savings deposits comprising 56.7% of total non-bank deposits. The increase in the proportion of low-cost current and savings account deposits to our total non-bank deposits to the current levels, was largely a result of our key initiatives which include:

- targeting children’s savings accounts with tailored value propositions for families;
- introducing the “FRANK by OCBC” banking program for youths and young working adults;
- acquiring corporate and small and medium-sized enterprises (“SME”) operating accounts with our award-winning cash management platform; and
- providing customers with a superior and differentiated banking experience that is responsive to evolving customer behaviour trends and enhancing our digital platforms and offerings.

Our sources of liquidity are stable: 12.4% of our total assets (excluding the life insurance fund investment assets) are in cash and placement with central banks, treasury bills and government securities as of June 30, 2020. We also have a U.S.\$5.0 billion Euro Commercial Paper Program that we first established in 2004 and upsized to U.S.\$10.0 billion in 2012, a U.S.\$15.0 billion U.S. Commercial Paper Program that we established in April 2016 and upsized to U.S.\$25.0 billion in September 2018, and a U.S.\$10.0 billion Global Covered Bond Program that we established in November 2016, each of which can be tapped to diversify our non-Singaporean dollar funding sources. In addition, we have a net loans to non-bank customers to non-bank customer deposits ratio of 85.4% as of June 30, 2020.

### ***Strong capital and liquidity ratios***

We are regulated by the MAS, which has consistently imposed a stronger regulatory capital regime for D-SIBs relative to international standards. The MAS has imposed more stringent capital requirements for D-SIBs than the Basel III framework, as each of the D-SIBs is systemically important and has a substantial retail presence in Singapore. D-SIBs incorporated in Singapore have been required to meet at all times a minimum CET1 CAR, Tier 1 CAR, and Total CAR of 6.5%, 8.0% and 10.0%, respectively. In addition to complying with the minimum CAR requirements, in line with the Basel Committee’s requirements, we are required to have a capital conservation buffer of 2.5% at CET1 level, and a countercyclical buffer comprising CET1 capital of up to 2.5%.

We maintain a strong capital position to support business growth and strategic investments and to sustain investor, customer and market confidence. We also ensure that our capital adequacy ratios are comfortably above the minimum regulatory requirements. The Group is subject to the MAS’ Basel III capital adequacy and the more stringent requirements for D-SIBs. As of June 30, 2020, our CET1 CAR, Tier 1 CAR and Total CAR were 14.2%, 14.9% and 16.4%, respectively. These ratios were well above the regulatory minima of 6.5%, 8.0% and 10.0%, respectively.

In January 2014, the Basel Committee issued the leverage ratio framework and its public disclosure requirements. In line with this, a revised MAS Notice 637 was issued in October 2014 requiring Singapore-incorporated banks to make leverage ratio disclosures with effect from January 1, 2015 to enhance the transparency and comparability of these disclosures across banks. With effect from January 1, 2018, MAS Notice 637 was revised to introduce a minimum leverage ratio requirement of 3.0% at the Solo and Group levels. As of June 30, 2020, our leverage ratio of 7.4% was above the 3.0% minimum regulatory requirement.

Under MAS Notice 649, a D-SIB incorporated in Singapore and whose head office or parent bank is incorporated in Singapore is required to maintain at all times a Singapore Dollar LCR requirement of at least 100% and an all-currency LCR requirement of at least 100%. During the second quarter of 2020, the average Singapore dollar and all currency liquidity coverage ratios for the Group were 284% and 127%, respectively.

## **Strategy**

Our strategy of deepening our presence in Singapore and key overseas markets of Malaysia, Indonesia and Greater China provides us with what we believe to be excellent growth opportunities in our three business pillars of banking, wealth management, and insurance. Anchored by a stable operating platform, we are well-placed to capitalize on the wealth, trade, insurance and capital flows within Asia, and between Asia and the world. Our long-term strategy of maintaining a well-diversified customer base and earnings diversification with strong capital funding and liquidity positions remained unchanged. At the same time, our strategy takes into account key global megatrends that would shape our future growth and future positioning. The first would be rising Asian wealth that has already happened over the past few years and likely to continue into the future as changing demographics in our key overseas markets, including social progression and the expansion of the middle class, is driving rapid wealth creation. Shifts in global supply chains continue to drive new opportunities in supply chain transformation and logistics, on-shore and near-shore manufacturing. We are also well-placed to support customer activities in consolidations, privatisations, overseas diversification and restructuring from the rebalancing of economies and reinventing business models. Policies, products and services will have to be geared to recognise these developing megatrends. Digitalisation will also continue. However, it is important to also be cognisant of the risks associated with digitalisation and ensure that cyber security risks are very carefully managed. Other threats included rising protectionism and populism, which will need particular attention when expanding operations to ensure policy risks are well managed. On the other hand, the concept of sustainability is now widely accepted and respected. We will align our policies and practices along a sustainability objective. Our strong track record of delivering sustainable earnings over economic cycles will help us to retain customer franchise and employee franchise.

### ***Customers at the forefront***

We value the trust and confidence that our customers place in us, and are fully committed to helping them achieve their aspirations, by providing comprehensive and innovative financial services that meet their needs. Our distinct competitive strength comes from our comprehensive banking, wealth management and insurance franchise that offers an integrated service platform in meeting our customers' financial needs.

The connectivity of our regional network will be enhanced to support our customers' growing cross-border activities. We will intensify our efforts to innovate and digitize, and extract further value from our past investments.

Our leading regional wealth management franchise is further poised to tap on the rising affluence in our key markets. We will focus on extending Bank of Singapore's position as "Asia's Global Private Bank" through best-in-class product architecture platform and proprietary research. We will expand our regional Premier Banking proposition, and further extend our presence in the growing emerging affluent market segment, including in the Middle East.

At the same time, we remain focused on delivering a superior and differentiated customer experience in order to gain a sustainable competitive advantage. The key elements in improving service delivery include leveraging customer insights to develop and implement superior customer value propositions, focusing on quality and investing in customer experience delivery capabilities across our Group.

The COVID-19 outbreak has caused significant uncertainties and has impacted individuals and businesses globally. We have extended targeted relief measures to support impacted customers, including principal moratorium, bridging loans and additional working capital lines. At the same time, we have been reaching out to customers so that customers understand that help is available and can be provided quickly. We also work closely with government agencies to help bring our affected customers back to their normal state after the end of the outbreak.

### ***Deepening presence in Singapore, Malaysia, Indonesia and Greater China***

In addition to maintaining our strong market position in our home market, we continue to deepen our presence in Malaysia, Indonesia and Greater China through improving the customer experience, expanding our distribution network and broadening our capabilities.

In Malaysia, we are among the three largest foreign banks by assets, loans, and deposits. OCBC Al-Amin Bank Berhad ("**OCBC Al-Amin**"), our Islamic banking subsidiary, was the first Singapore-based Islamic Bank established in Malaysia in 2008, and Great Eastern Life Insurance (Malaysia) Berhad is one of the largest insurance companies by asset size and agency force in Malaysia. There remains potential for us to expand the scope and scale of Islamic Banking and Takaful products and services, thereby increasing our overall market penetration in Malaysia. In Indonesia, we are among the top eight national banks by assets as of June 30, 2020 and intend to further develop the enlarged franchise (following the merger of OCBC NISP and PT Bank OCBC Indonesia) and drive greater collaboration between OCBC NISP and the Group. In 2012, we acquired an 80% stake in a securities brokerage business, PT Transasia Securities, which has been renamed PT OCBC Sekuritas Indonesia ("**OCBC Sekuritas**"), to create an added platform for our expanding wealth management franchise in Indonesia. In 2014, we increased our shareholding in OCBC Sekuritas to 95.1%. We also grew our wealth management footprint in Indonesia with the launch of onshore private banking services in 2017. In 2019, Great Eastern General Insurance Limited (formerly, The Overseas Assurance Corporation Limited) completed the acquisition of 95% of the share capital of PT QBE General Insurance Indonesia, a general insurance company in Indonesia. In Greater China, our larger combined presence with OCBC Wing Hang, gives us a sizeable platform to tap into the increasing trade links between North and Southeast Asia, secure onshore and offshore business opportunities associated with the growing internationalization of the Renminbi and partner more Chinese companies that are investing offshore. We have also secured a stronger deposit franchise in the region and our enhanced access to the U.S. dollar and Renminbi enables us to better support our customers' cross-border requirements. There will also be substantial opportunities to cross-sell wealth and bancassurance products and services to OCBC Wing Hang's affluent customers. In addition, we continue to work closely with Bank of Ningbo, our 20% associated company, leveraging mutual strengths in product and business development, in areas such as offshore financing, trade finance, private banking, treasury and fund management.

Outside of our core overseas markets, we remain alert to emerging opportunities within Southeast Asia and focused overseas markets, while supporting our network customers in Australia, the United States, Europe, Japan and Korea through our branches. In July 2015, we opened a new branch in Myanmar offering banking services to foreign companies and joint ventures as well as domestic banks in Myanmar. In 2017, Bank of Singapore also opened a new branch in the Dubai International Financial Centre to serve customers in the Middle East. In April 2019, Bank of Singapore officially established its wealth management subsidiary, BOS Wealth Management Europe, in Luxembourg (and branch office in London) that further positions us to capture opportunities in Europe.

### ***Leveraging group synergies***

Our core businesses of banking, wealth management and insurance are closely interlinked, and we continue to direct our efforts to maximize the synergies within the Group. We plan to differentiate ourselves by further leveraging potential synergies among the entities within our Group, which include OCBC Malaysia, OCBC Al-Amin, OCBC NISP, OCBC Wing Hang, Great Eastern Holdings, Lion Global, Bank of Singapore and OCBC Securities. We seek to broaden relationships with our various sets of customers, increase cross-selling and customer referrals across our Group, enhance operational effectiveness by coordinating the development and more effective deployment of common corporate resources, and balance organic growth with selective acquisitions that fit our overall franchise.

### **Our Operations**

Our main services include deposit-taking, corporate, enterprise and personal lending, international trade financing, investment banking, private banking, treasury, stockbroking, insurance, credit cards, cash management, asset management and other financial and related services. Banking operations are conducted through our domestic and overseas branches, representative offices and subsidiaries. Other financial services, such as insurance, private banking, asset management and stockbroking, are conducted mainly through our subsidiaries.

For the purpose of financial reporting of business segment results, our businesses are presented under six main segments representing the key customer and product groups: Global Consumer/Private Banking, Global Wholesale Banking, Global Treasury and Markets, OCBC Wing Hang, Insurance and Others. We first acquired a majority stake in OCBC Wing Hang in 2014 and it became a wholly-owned subsidiary in October 2014.

The Global Consumer/Private Banking segment covers consumer banking, private banking and retail brokerage services. The Global Wholesale Banking segment provides a full range of financing solutions to institutional customers ranging from large corporates and the public sector to small and medium enterprises. The Global Treasury and Markets segment is responsible for the management of the Group's asset and liability positions, engages in foreign exchange activities, money market operations, fixed income and derivatives trading, and offers structured treasury products and financial solutions to meet customers' investment and hedging needs. Income from treasury products and services offered to customers of other business segment is reflected in the respective business segments. The OCBC Wing Hang segment provides a comprehensive range of commercial banking and related financial services such as consumer financing, share brokerage and insurance. The Insurance segment covers the Group's insurance business and includes its fund management activities. For the financial years ended December 31, 2017, 2018 and 2019 and the six months ended June 30, 2020, the "Others" segment comprised mainly property holding, investment holding and items not attributable to the other five business segments. Where there are material changes in the organizational structure and management reporting methodologies, segment information for prior periods is restated to allow comparability.

The following table sets forth the contributions of the key business segments to our operating profit after allowances and amortization<sup>(1)</sup> for the periods indicated.

	Year ended December 31,				Six months ended June 30,		
	2017	2018	2019		2019	2020	
	S\$	S\$	S\$	U.S.\$	S\$	S\$	U.S.\$
	<i>(in millions)</i>				<i>(in millions)</i>		
Global Consumer/Private Banking . . . . .	1,230	1,313	1,438	1,068	723	604	433
Global Wholesale Banking . . . . .	1,404	2,051	1,615	1,199	877	30	21
Global Treasury and Markets . . . . .	482	492	589	437	259	378	271
OCBC Wing Hang . . . . .	370	497	424	315	195	283	203
Insurance . . . . .	1,144	811	1,068	793	557	395	283
Others . . . . .	80	(67)	100	74	26	(251)	(180)
Total . . . . .	<u>4,710</u>	<u>5,097</u>	<u>5,234</u>	<u>3,886</u>	<u>2,637</u>	<u>1,439</u>	<u>1,031</u>

**Note:**

(1) With effect from January 1, 2020, the basis for determining the breakdown of operating profit after allowances and amortization by business segments was updated to reflect how the business segments' profitability are being analyzed. Accordingly, the comparative figures for operating profit after allowances and amortization for the immediate preceding periods (i.e. the six months ended June 30, 2019 and the year ended December 31, 2019) were restated to facilitate comparison with the six months ended June 30, 2020. The comparatives for years ended December 31, 2017 and 2018 were not restated as the relevant information is not available and the cost to develop such information is excessive. There is no change to total operating profit after allowances and amortization for the Group as a whole.

**Global Consumer/Private Banking**

Global Consumer/Private Banking provides a full range of products and services to individual customers. At Global Consumer Banking, the products and services offered include deposit products (checking accounts, savings and fixed deposits), consumer loans (housing loans and other personal loans), credit cards, wealth management products (unit trusts, bancassurance products and structured deposits) and brokerage services. Private Banking caters to the specialised banking needs of high net worth individuals, offering wealth management expertise, including investment advice and portfolio management services, estate and trust planning, and wealth structuring. For the six months ended June 30, 2020 and in the financial year ended December 31, 2019, this business segment accounted for 42.0% and 27.5% of our operating profit after allowances and amortization, respectively.

In Singapore, we are among the top three banks in consumer banking. In 2017, we completed the acquisition of National Australia Bank's Private Wealth business in Singapore and Hong Kong SAR. As of June 30, 2020, we had a network of close to 50 branches (of which 19 are Sunday Banking Branches), 12 Premier Banking centres and one Premier Private Client center. In Malaysia, we are one of the longest established banks and serve our customers through a network of more than 40 branches, comprising 33 conventional branches and 9 Islamic Banking branches. In Indonesia, we have more than 250 branches and offices in Indonesia under OCBC NISP. In Greater China, we have more than 80 branches and Premier Banking centres under OCBC Wing Hang in Hong Kong SAR, Macau SAR and Mainland China. We intend to further leverage our regional network to serve the fast-growing affluent and mass affluent customer segments.

We officially launched an Accredited-Investor platform in 2019 – OCBC Premier Private Client, to serve the high net worth individuals who have more sophisticated investment needs.

We invest in our service and delivery channels to provide our customers with a superior and differentiated banking experience. Examples of service and delivery improvements include the revamping of our branches in Singapore and Malaysia to integrate design principles and innovations based on extensive research of branch layouts and customer needs, refining the deployment of our ATM fleet across Singapore with new units at high traffic locations to enhance customer accessibility for our customers. Our next generation ATMs were first rolled out to 23 branches in 2019. These ATMs allow us to migrate high volume counter services to a self-service channel, thus helping customers save time. Digital service kiosks, located in our branches and supported by our digital ambassadors, also help to speed up the delivery of high-demand services such as activating overseas card usage and updating personal and account details. We also conduct extensive customer research and testing to ensure that our product and service innovations are tuned into evolving customer behaviour trends and preferences.

Examples include the introduction of OCBC Pay Anyone App, OCBC Bank's first standalone mobile payments app which provides seamless and frictionless payment through use of fingerprint authentication from both payer and payee. It is integrated with PayNow's infrastructure to provide convenience for customers. We also launched Emma, a first-of-its-kind specialized home and renovation loan chatbot service in Singapore which provides potential home buyers and current home owners with a convenient, fast and accurate "always-on" digital channel to have their questions addressed without directing customers to a separate website. Via OCBC Life Goals platform, we provided holistic planning for customers' life stage goals since 2016, such as retirement planning, children's education, wealth transfer and goal of new home for customers. Also, a suite of OneWealth services is available through the OneWealth App and mobile banking: OneWealth App, Online UT purchase, Blue Chip Investment Programme, Money Insights. In the digital space, the OCBC OneAdvisor Home portal is an important enabler for us to better serve our customers and our real estate ecosystem partners. This digital portal, launched in 2018, now hosts one of the largest residential property listing in Singapore with more than 150,000 properties. Through this portal, consumers can assess their affordability for their home purchase and select their dream home. At the same time, our agents benefit with tools which we have built and customised for seamless connectivity to us.

Today, consumers engage a wide range of services largely through their mobile phones. Hence everything we create is 'mobile first'-making our mobile banking services simple, easy and convenient to use. We revamped our mobile banking app to include a new user interface and experience, making it simple, intuitive and at the same time, a delight to use. What's new and a first in the market is the ability of our customers to have a consolidated view of their account transactions and cards spending to help them manage their finances. Leveraging artificial intelligence, our customers can have 'digital conversations' with the app to pay bills, check account transactions, track and manage expenses. Another first is the ability to scan a QR code using the OCBC Pay Anyone app to withdraw cash at our ATMs in Singapore, enabling customers the convenience of going cardless.

Due to the COVID-19 outbreak, we have aggressively promoted our digital channel and provided guidance such as short educational videos to guide the less technology savvy customers to learn to use and adopt digital services. Digital ambassadors have been deployed in our branches to guide customers to use digital channels. Digital signatures and other electronic authentication for transactions and trade instructions have been enabled. Relief applications are now entirely processed and approved digitally in Singapore and in Malaysia.

We have also launched a wide spectrum of innovative and seamless solutions to help individuals achieve their financial goals with many first-in-markets in 2020. For example, we were the first bank in Singapore to enable use of SingPass for our customers to securely access digital banking

services. We were the first to integrate with MyInfo, with online acceptance for car and home loans. We were the first bank in Southeast Asia to allow instant encashment of cheques. We were the first to partner and integrate with Google Pay to enable peer-to-peer payments. Last but not least, we were the first Singapore bank to bring together a health & wellness ecosystem to consumers.

### *Savings and Deposits*

We offer a comprehensive range of deposit products including savings accounts, checking accounts, term deposits and regular savings plans. We have also developed tailored products to better serve customer needs and preferences at each life-stage. Examples of these tailored products include our Mighty Savers program, targeted at parents of young children, to help inculcate in children a habit of saving, our “FRANK by OCBC” banking program comprising savings and cards accounts designed for youths and young working adults. In Singapore, we are one of only a few selected banks appointed by the Singapore government to manage Child Development Accounts, savings accounts for children in which deposits by parents are eligible for matching contributions by the Singapore government.

### *Consumer Loans*

Our primary consumer lending products are housing loans and mortgages. We offer our customers a range of fixed rate mortgages, variable rate mortgages as well as mortgages pegged to market benchmark rates. Fixed rate mortgages have fixed rates only for the first two or three years of the loan, after which interest accrues at a higher variable rate. Variable rate mortgages are priced at a margin above or below a reference rate (which is a rate that OCBC Bank may change but typically does so only very infrequently) such as a long-tenure term deposit rate. Mortgages pegged to market benchmark rates are similar to variable rate mortgages except that the benchmark is determined by a market benchmark, such as SIBOR. The typical tenor of a mortgage in Singapore is 30 years, and the interest rate during the first two to three years of the loan is typically lower, as a form of ‘teaser’ rate. In July 2020, we launched Singapore’s first SORA-based home loan, another step to contribute to Singapore’s development of new SORA markets.

As of June 30, 2020, our housing loans outstanding amounted to S\$61,395 million (U.S.\$43,992 million).

On June 29, 2013, the MAS implemented a Total Debt Servicing Ratio (“**TDSR**”) framework for property loans that aims to promote financial prudence and prevent over-leveraging by property purchasers. We also offer other lending products to our customers, including car loans, unsecured credit lines and term loans. Car loans are monthly amortizing loans which are typically five-year loans priced at a fixed rate. Term loans are secured by other forms of collateral such as equities, cash or insurance policies. Unsecured credit facilities are offered and extended to individuals subject to income conditions, credit scoring and credit bureau checks.

See “Customer Loan Portfolio” and “Customer Loan Concentration” below for further discussion on our consumer loans.

### *Credit and Debit Cards*

We offer a range of credit and debit cards, including Visa, MasterCard and various affinity cards. We were among the first financial institutions to introduce credit cards in Singapore. We grant credit cards on a prudent basis to only a limited segment of our customers. Credit card issuance in Singapore is subject to stringent criteria, including a regulated minimum income requirements and a limit on total credit lines granted to each cardholder. In addition, all new credit card

applications are credit scored and subject to credit bureau checks before approval and card issuance. These measures help to ensure that the industry loss rate on credit cards in Singapore remains relatively low.

### *Bancassurance*

We conduct our bancassurance business through a strategic collaboration with our subsidiary Great Eastern Holdings. We distribute a full range of bancassurance products, including life insurance, term insurance, travel accident and mortgage insurance, single premium capital protected investment plans, annuity plans and investment-linked retirement planning products. Our priority is to provide customers with a one-stop solution for their insurance, financial and retirement planning needs. We are one of the market leaders in bancassurance in Singapore. See “Insurance” below for more information.

### *Unit Trusts*

We offer an extensive range of third-party unit trust funds that will be able to meet a variety of investment objectives, providing exposure to equities, fixed income, and asset allocation as well as specialized alternative investments. Our funds selection process includes vetting such funds based on performance, risk profile and suitability for our customers.

### *Bank of Singapore*

Our wealth management business is carried out mainly by our wholly-owned subsidiary, Bank of Singapore. On January 29, 2010, we completed the acquisition of ING Asia Private Bank and combined the businesses with OCBC Private Bank under a wholly-owned subsidiary which was renamed Bank of Singapore. In November 2016, we completed the acquisition of the wealth and investment management business of Barclays Bank PLC in Singapore and Hong Kong SAR, and the acquisition of National Australia Bank’s Private Wealth Business in Singapore and Hong Kong SAR in November 2017. In the same year, we also grew our wealth management footprint in Indonesia with the launch of onshore private banking services, while Bank of Singapore opened a new branch in the Dubai International Financial Centre to serve customers in the Middle East. In April 2019, Bank of Singapore officially established its wealth management subsidiary, BOS Wealth Management Europe, in Luxembourg (and branch office in London) that further positions us to capture opportunities in Europe. Bank of Singapore is positioned as an Asia-based global private bank and, we believe, is the only dedicated private bank headquartered in Singapore. It also has a branch in Hong Kong SAR and a representative office in Manila. Bank of Singapore has operations in four regions – Southeast Asia, Greater China, Europe and the Middle East. Bank of Singapore’s franchise is no longer seen as a regional franchise but is recognised as a global one. It has lived up to our tagline of being Asia’s Global Private Bank. As of June 30, 2020, Bank of Singapore had assets under management of S\$157 billion (U.S.\$113 billion).

Bank of Singapore adopts a global private banking approach, offering customers a comprehensive range of products and services on a fully open architecture platform, supported by strong proprietary research and independent advice. It also leverages our extensive regional network and expertise in mortgage financing, retail, commercial and investment banking, stockbrokerage, insurance and investment management.

We have incentives in place to encourage cross-selling and referrals between OCBC Bank and Bank of Singapore, with good results achieved in the areas of property and business financing, insurance sales, brokerage and treasury transactions, and customer acquisition. Various collaborative programs have been launched to market private banking services by the Bank of Singapore’s Greater China team to the business owners of OCBC Wing Hang’s SME customer base.



### *Product Distribution*

We deliver our products and services through an array of channels, principally branches, ATMs, internet banking, phone and mobile banking. Our branches offer traditional teller services and are also staffed by personal financial consultants who are trained and certified to sell bancassurance, unit trusts and investment products. We also offer the widest network of full-service Sunday banking branches in Singapore. Mortgage customers are serviced through mobile mortgage specialists.

Recent digital and innovative solutions are keeping OCBC at the forefront of digital banking convenience and functionality. Leveraging artificial intelligence, our customers can have 'digital conversations' with the app to pay bills, check account transactions, track and manage expenses. In addition, we are the first to create the ability to scan a QR code using the OCBC Pay Anyone app to withdraw cash at our ATMs in Singapore, enabling customers the convenience of going cardless.

As of June 30, 2020, our network of more than 600 ATMs in Singapore, which include ATMs at all of our branches and self-service hubs, formed part of the shared network of more than 1,200 ATMs with United Overseas Bank Limited, providing our customers with Singapore island-wide coverage, particularly at prime locations, transport hubs and high traffic areas.

### *Stockbrokerage*

We conduct our stockbrokerage activities in Singapore through our wholly-owned subsidiary, OCBC Securities, which is a member of the Singapore Exchange for both Securities Trading and Derivatives Trading. We offer a full range of brokerage services for globally listed securities, futures and leveraged foreign exchange trading and provide research as well. In addition, we offer initial public offering placement, share margin financing and share borrowing.

We service institutional investors and brokers/dealers, private banks, fund managers, insurance companies, banks and other corporations.

We service retail and high net worth individuals through our retail business. Retail clients receive personalized brokerage services, as well as access to global securities exchanges via our iOCBC online trading platform which is available through the personal computers and applications for mobile devices.

Other than our presence in Singapore, OCBC Sekuritas also services Indonesian clients in relation to their trading on the Indonesian Stock Exchange. We offer clients internet trading through regular trading accounts. We also provide leveraged trading via margin accounts and Repo accounts.

### ***Global Wholesale Banking***

Global Wholesale Banking serves institutional customers ranging from large corporates and the public sector to small and medium enterprises. The business provides a full range of financing solutions including long-term project financing, short-term credit, working capital and trade financing, as well as customised and structured equity-linked financing. It also provides customers with a broad range of products and services such as cash management and custodian services, capital market solutions, corporate finance services and advisory banking, and treasury products. We also extend a comprehensive suite of corporate advisory and investment banking solutions, including corporate finance services for initial public offerings, secondary fund raising, takeovers and mergers, as well as customized and structured equity linked financing, to meet our customers' needs. For the six months ended June 30, 2020 and in the financial year ended December 31, 2019, this business segment accounted for 2.1% and 30.9% of our operating profit after allowances and amortization, respectively.

We have also launched a wide spectrum of innovative first-to-market solutions to businesses recently. For example, we were the first to offer SMEs a view of historical cash flows and expense categories. We were the first to enable SMEs to send sales invoices electronically and collecting digitally through QR & UEN. We have also enabled the use of SingPass for SMEs to securely access digital banking services. We were the first foreign bank in China to offer customers the ability to connect to single window to initiate cross border payments of imported goods across all ports in China. We were the first to deliver seamless electronic application and delivery of banker's guarantee to Customs. As a leading player in this space and in support of Singapore's Smart Nation initiatives, we will continue to develop innovative first-to-market solutions for our customers that leverage on cutting edge technology to deliver new solutions amidst emergence of digital platforms and enablers.

### *Loans*

We provide a comprehensive range of loans to finance our customers' daily operational needs and support their global investment and expansion plans. These include working capital financing, project financing, commercial property financing, asset-based financing, and short to medium term credit facilities like overdrafts, bridging loans and trade financing.

Our loans are typically made in Singapore dollars, although we also extend loans in foreign currencies, primarily the U.S. dollar. Singapore dollar-denominated loans are generally extended at a spread over our published prime rate or the interbank rate. The spread charged depends on the credit quality of the borrowers, as well as the type and maturity of the loan.

The larger corporate and institutional clients we serve include publicly listed companies, multinational corporations, government-linked agencies, statutory boards, financial institutions and non-bank financial institutions. In respect of large corporates, our focus is on global account management and we provide customized solutions including working capital financing, specialized financing, and structured and project financing, to support their operations and ventures across geographies through our international network.

SME is a key segment and continues to be a focus area. We aim to be the main bank of choice to our customers, providing them with financial products and services to support their growth as they mature through the business life cycle. We demonstrate our commitment to early stage growth and smaller emerging companies by supporting them since their inception.

As a financial institution, we are in an advantageous position to positively influence our customers. Therefore, we design our business practices to achieve positive outcomes for society and the environment. We have rolled out numerous initiatives to ensure sound Environmental, Social and Governance (ESG) practices are in place. OCBC was the first bank in Southeast Asia to announce that it would stop financing new coal-fired power plants, and redirect our focus on financing the development of renewable energy projects. In 2020, we have set a new target of S\$25 billion by 2025 for our sustainable finance portfolio. Our efforts in pioneering innovative solutions to support our customers' sustainability journeys have seen OCBC top the sustainable finance league tables in our key markets

### *Cash Management*

We provide a suite of cash management solutions, from simple Singapore dollar accounts to more complex accounts receivable, payables and liquidity management solutions. The solutions are tailored to meet our customers' needs, providing them with control over their business finances and allowing them to optimize their working capital, streamline their processes and improve operational efficiency.

### *Trade Finance*

We provide a comprehensive range of global trade finance solutions to international banks and corporates. From standard trade solutions such as letters of credit and simple trade credit lines to complex structured trade solutions, we customize the solutions to help our customers manage risk, improve liquidity and efficiency, and lower their costs.

### *Global Investment Banking*

Global Investment Banking provides capital markets, corporate finance and mezzanine capital financing to our customers, encompassing both conventional and Islamic structures. Global Investment Banking works closely with Global Corporate Bank to develop and tailor products and services for our corporate customers.

Our Capital Markets Group offers loan, bond financing solutions and structured product origination. We structure, arrange, underwrite and manage both syndicated loan financings and debt securities issuances for government-linked companies, statutory boards, financial institutions, large corporations and SMEs in our key markets in the region such as Malaysia, Indonesia, Hong Kong SAR and Mainland China. In Singapore, we are one of the leading domestic loan and bond houses.

Our Corporate Finance Group provides equity capital markets and advisory services to our corporate customers. Equity capital market services include initial public offerings and secondary equity issuances such as rights and placement issues. We also offer a range of advisory services, including mergers, acquisitions, divestitures, management buy-outs, privatizations and recapitalizations.

Our Mezzanine Capital Group provides private equity investment and special opportunities financing to private and listed companies. Examples of financing structures include convertible debts, loans with equity kickers, preference shares and ordinary shares with put options.

### ***Global Treasury and Markets***

Global Treasury and Markets is responsible for the management of the Group's asset and liability positions, engages in foreign exchange activities, money market operations, fixed income and derivatives trading, and also offers structured treasury products and financial solutions to meet customers' investment and hedging needs. Income from treasury products and services offered to customers from other business segments such as Global Consumer/Private Banking, Global Wholesale Banking is reflected in the respective business segments. For the six months ended June 30, 2020 and in the financial year ended December 31, 2019, this business segment accounted for 26.3% and 11.3% of our operating profit after allowances and amortization, respectively.

We are among the leading providers of wealth management solutions and hedging solutions for our retail, premier and corporate customers. For retail and premier customers, we offer investment and wealth management solutions (short and long tenors) including structured deposits, foreign exchange-linked, equity-linked, commodity-linked and credit-linked structured deposits, investment products or notes. For our corporate customers, we provide hedging expertise and market knowledge to help customers manage their risks in foreign exchange, interest rates, equities, credit and commodities and other structured solutions. For institutional customers, our team of experienced specialists extend a full range of investment and hedging capabilities in foreign exchange and interest rate derivatives, money market, fixed income and customized structured solutions.

## ***OCBC Wing Hang***

We first acquired a majority stake in Wing Hang Bank in July 2014, before rebranding it as OCBC Wing Hang in Hong Kong SAR and Macau SAR and assuming full ownership in October 2014. OCBC Wing Hang offers a comprehensive range of commercial banking and related financial services such as consumer financing, share brokerage and insurance. For more details, see “– Our Overseas Bank Subsidiaries and Partner Banks”. OCBC Wing Hang accounted for 19.7% and 8.1% of our operating profit after allowances and amortization for the six months ended June 30, 2020 and in the financial year ended December 31, 2019, respectively.

## ***Insurance***

Our insurance business is carried out by our 87.9%-owned subsidiary, Great Eastern Holdings, which is the oldest and most established life insurance group in Singapore and Malaysia. Great Eastern Holdings distributes insurance products primarily through its tied agency force, a financial advisory firm, Great Eastern Financial Advisers, and bancassurance channels. Besides Singapore and Malaysia, Great Eastern Holdings also carries out insurance operations in Indonesia and Brunei and has a representative office in Myanmar. For the six months ended June 30, 2020 and in the financial year ended December 31, 2019, insurance accounted for 27.4% and 20.4% of our operating profit after allowances and amortization, respectively.

### *Life Insurance*

Great Eastern Holdings’ life insurance business provides a range of products, including term assurance, protection and savings products, critical illness cover, medical indemnity and cash cover, personal accident cover, disability cover and annuities across various products classes including participating, non-participating, investment-linked and universal life products.

In Singapore and Malaysia, Great Eastern Holdings operates its life insurance business through its subsidiaries, The Great Eastern Life and Great Eastern Life Assurance (Malaysia) Berhad (“**GELM**”), respectively. Great Eastern Life and GELM are leading insurers in Singapore and Malaysia in terms of new business sales. Great Eastern Life is also a key insurer participating in various government insurance schemes covering a major proportion of the population in Singapore.

Great Eastern Life has been assigned a “AA-” financial strength and counterparty credit rating from S&P since 2010, making Great Eastern Life one of the most highly rated life insurance companies in Asia.

On September 1, 2010, Bank Negara Malaysia awarded Great Eastern Holdings a Family Takaful license to operate Islamic life insurance through a joint venture set up with Koperasi Angkatan Tentera Malaysia Berhad (Malaysian Armed Forces Co-operative Limited). The joint venture company, Great Eastern Takaful Berhad, was officially launched on December 10, 2010.

### *General Insurance*

Great Eastern Holdings’ general insurance business is underwritten and managed by Great Eastern General Insurance Limited (“**GEG**”) in Singapore, Great Eastern General Insurance (Malaysia) Berhad in Malaysia and PT Great Eastern General Insurance Indonesia. Great Eastern Holdings’ general insurance business offers a wide range of commercial and personal general insurance products through brokers, agents, bancassurance and direct channels across many lines of businesses, for example fire, motor, workmen compensation, marine cargo and miscellaneous accident.

GEG's financial strength and counterparty credit rating was upgraded to "AA-", following S&P's insurance criteria change in May 2013.

### *Distribution Channels*

Great Eastern Holdings distributes insurance products primarily through its tied agency force, a financial advisory firm, Great Eastern Financial Advisers, and bancassurance channels.

A tied agent is an insurance agent who can only promote, advise and sell the products of the company he or she represents. Tied agency is a key distribution channel for Great Eastern Holdings with its combined agency force of approximately 30,000 agents.

In 2011, Great Eastern Holdings launched Great Eastern Financial Advisers offering a wide suite of professional financial advisory services on life insurance, general insurance and collective investment schemes. It is the first financial advisory firm in Singapore to adopt a unique business model which combines the strengths of a major insurance company and a financial advisory firm. In May 2019, Great Eastern acquired a 95% stake in PT QBE General Insurance Indonesia, as part of its broader business strategy to further build its general insurance operations into a significant business pillar and to deepen its footprint in Indonesia.

Great Eastern Holdings' relationship as a subsidiary of OCBC Bank makes the bancassurance partnership unique from other partnerships in the industry because it allows for closer collaboration and more coordinated initiatives in sales management and product development.

### *Asset Management*

Our asset management business is managed by Lion Global, which is 70%-owned by Great Eastern Holdings and 30%-owned by Orient Holdings Private Limited, a wholly-owned subsidiary of OCBC Bank. Lion Global is one of the largest asset managers in Southeast Asia as of June 30, 2020. It had S\$61.0 billion (U.S.\$43.8 billion) in assets under management as of June 30, 2020. Lion Global offers a comprehensive suite of investment products covering various asset classes to statutory boards, educational institutions, public and private companies, charities, non-profit organizations and retail investors.

### **Others**

The "Others" segment comprises mainly property holding, investment holding and items not attributable to the other five business segments. For the six months ended June 30, 2020 and in the financial year ended December 31, 2019, our "Others" segment accounted for -17.5% and 1.8% of contribution to our operating profit after allowances and amortization, respectively.

## **Our Overseas Bank Subsidiaries and Partner Banks**

### ***OCBC Malaysia***

We have been operating in Malaysia for more than 80 years and we rank among the largest foreign banks in Malaysia by assets, loans and deposits. We have a network of 33 conventional and 9 Islamic Banking branches, offering a range of specialist financial services that includes consumer, corporate, investment, premier and transaction banking, as well as global treasury services to meet the needs of our customers across communities. OCBC Malaysia offers a broad spectrum of specialist financial services to its customers, a diverse range of individuals and corporate/SME clients, including sole proprietorships and partnerships. OCBC Malaysia has a long-term financial institution rating of "AAA" from RAM Rating Services Berhad.

OCBC Malaysia's wholly-owned Islamic Banking subsidiary, OCBC Al-Amin, was launched on December 1, 2008 and had 9 Islamic branches as of June 30, 2020. OCBC Al-Amin offers products and services which are developed based on the applicable Shariah contract and with the endorsement of the Shariah Advisory Committee to meet the requirements of Muslims and non-Muslims alike.

Recently, OCBC Al-Amin successfully led and arranged a first-of-its-kind Syndicated Multi-Currency Shariah-compliant sustainability-linked set of financing facilities of USD800 million for Axiata Group Berhad, among the leading telecommunications groups in Asia. OCBC Malaysia also rolled out OCBC OneCollect, the country's first merchant cross border QR Code collection service. In 2019, OCBC Malaysia was the first foreign bank in the country to offer all-in-one digital payment terminals for merchants to integrate and accept all cards and e-payment transactions on a single device.

### ***OCBC NISP***

OCBC NISP is the fourth oldest bank in Indonesia, established in 1941. As of June 30, 2020, OCBC NISP remained among the top eight national banks in Indonesia by assets. We have a distribution network of more than 250 branches and functional offices and 625 ATMs in 57 cities across Indonesia, and staff strength of over 6,000 as of June 30, 2020.

Synergies gained from collaborating with the OCBC group of companies have garnered positive results. Several milestones have been achieved over the years through the close collaboration between OCBC Bank and OCBC NISP, including: enhanced operational and IT governance as well as information technology implementation to improve operational excellence; speedy remittances between Singapore and Indonesia aside from a joint ATM link-up in Singapore and Indonesia; rollout of a comprehensive consumer wealth management platform, including collaboration with PT OCBC Sekuritas Indonesia and Great Eastern Life; launch of Private Banking, Premier Banking services and credit card products; the launch of a local version of OCBC Bank's award winning Velocity@ocbc cash management platform at OCBC NISP and adoption of OCBC Bank's successful business model for small emerging enterprises with an emphasis on efficient processes and simple, quick and convenient products and services.

OCBC NISP continually enhances its overall efficiency and productivity, including through operational cost control, end-to-end process improvement and the optimization of the overall performance of the bank's office and ATM networks.

### ***OCBC Wing Hang***

We first acquired a majority stake in Wing Hang Bank in July 2014, before rebranding it as OCBC Wing Hang in Hong Kong SAR and Macau SAR and assuming full ownership in October 2014. Shortly thereafter, it was delisted from the Hong Kong Stock Exchange.

Its subsidiary in China, Wing Hang Bank (China) Limited, was officially merged with OCBC Bank (China) Limited in July 2016 to become OCBC Wing Hang Bank (China) Limited. Following the merger, OCBC Wing Hang's profit includes the contribution of ex-OCBC Bank (China) Limited from mid-July 2016. The establishment of OCBC Wing Hang China empowers OCBC Bank to effectively drive its Greater China strategy across the key markets of Mainland China, Hong Kong SAR and Macau SAR under one single platform and a unified brand name of OCBC Wing Hang. With the merger, OCBC Bank has also complied with China's single presence policy for foreign banks.

OCBC Wing Hang now has more than 80 branches and offices across Hong Kong SAR, Macau SAR and China, offering a comprehensive range of commercial banking and related financial services such as consumer financing, share brokerage and insurance. In addition to banking with a broad commercial and retail customer base, OCBC Wing Hang has a well-diversified SME customer franchise and has established a niche in auto and equipment financing in Hong Kong SAR and Macau SAR.

The Group will benefit from the larger combined presence in Greater China, granting us a sizeable platform to tap into the increasing trade links between North and Southeast Asia, secure onshore and offshore business opportunities associated with the growing internationalization of the Renminbi and partner more Chinese companies that are investing offshore. We have also secured a stronger deposit franchise in the region and our enhanced access to the U.S. dollar and Renminbi enables us to better support our customers' cross-border requirements. We also expect that there will be substantial opportunities to cross-sell wealth and bancassurance products and services to OCBC Wing Hang's affluent customers. Our strong presence in Greater China coupled with our long-established presence in Southeast Asia will allow us to capture the increasing opportunities from the growing connectivity between both regions.

### ***Collaboration with Bank of Ningbo***

We continue to work closely with Bank of Ningbo, our 20% associated company, leveraging mutual strengths in product and business development, in areas such as offshore financing, trade finance, private banking, treasury and fund management. In August 2017, we entered into a ten-year strategic cooperation agreement with Bank of Ningbo to deepen collaboration across a broad range of business areas, intensify knowledge sharing and scale up staff training. Bank of Ningbo is listed on the Shenzhen Stock Exchange and as of June 30, 2020, it has a nationwide network of over 300 branches and sub-branches, covering the cities of Ningbo, Suzhou, Shanghai, Hangzhou, Nanjing, Shenzhen, Wenzhou, Beijing, Wuxi, Jinhua, Shaoxing, Taizhou, Jiaxing and Lishui.

### **Funding**

As of June 30, 2020, 73.6% of our funding requirements (total equity and total liabilities excluding life insurance fund liabilities) were attributable to non-bank customer deposits, 3.0% attributable to deposits and balances of banks, 5.6% attributable to debt issued, 11.4% from capital and reserves and 6.4% attributable to other sources.

Our deposits of non-bank customers were S\$309,731 million (U.S.\$221,934 million) as of June 30, 2020. The ratio of net loans to customers to non-bank customer deposits was 85.4% as of June 30, 2020, reflecting that non-bank customer deposits were in excess of loan requirements. Singapore dollar-denominated non-bank customer deposits accounted for 36.7% of customer deposits as of June 30, 2020. We also source foreign currency funding, mainly in U.S. dollars, from offshore currency markets, domestic money markets in countries in which we operate and through bilateral arrangements with financial institutions in various countries.

The following table sets forth a breakdown of our funding sources as of the dates indicated.

	As of December 31,				As of June 30,	
	2017	2018	2019		2020	
	S\$	S\$	S\$	U.S.\$	S\$	U.S.\$
	<i>(in millions)</i>				<i>(in millions)</i>	
Total equity (excluding non-controlling interests) . . . . .	39,028	42,137	47,162	35,012	47,884	34,311
Non-controlling interests . . . . .	2,765	1,255	1,441	1,070	1,458	1,045
Deposits of non-bank customers . . . . .	283,642	295,412	302,851	224,834	309,731	221,934
Deposits and balances of banks . . . . .	7,485	7,576	8,250	6,125	12,460	8,928
Debt issued . . . . .	32,235	30,272	29,388	21,817	23,596	16,907
Other borrowings and other liabilities <sup>(1)</sup> . . . . .	15,985	15,963	18,153	13,477	25,979	18,615
<b>Total . . . . .</b>	<b>381,140</b>	<b>392,615</b>	<b>407,245</b>	<b>302,335</b>	<b>421,108</b>	<b>301,740</b>

**Note:**

(1) Other liabilities do not include life insurance fund liabilities.

The following table sets forth the average balances of our interest-bearing liabilities and average interest rates for each of the periods specified below. For the purposes of the following table, period averages are calculated based on the average of month-end values.

	Year ended December 31,									Six months ended June 30,					
	2017			2018			2019			2019			2020		
	Average Balance	Interest	Average Rate	Average Balance	Interest	Average Rate	Average Balance	Interest	Average Rate	Average Balance	Interest	Average Rate	Average Balance	Interest	Average Rate
S\$	S\$	%	S\$	S\$	%	S\$	S\$	%	S\$	S\$	%	S\$	S\$	%	
	<i>(in millions, except for percentages)</i>									<i>(in millions, except for percentages)</i>					
<b>Interest bearing liabilities</b>															
Deposits of non-bank customers . . . . .	268,235	2,960	1.10	287,333	4,169	1.45	296,279	4,807	1.62	293,221	2,448	1.68	311,147	1,807	1.17
Deposits and balances of banks . . . . .	11,065	142	1.28	8,646	182	2.11	10,687	192	1.79	10,549	97	1.85	11,510	60	1.04
Other borrowings . . . . .	28,884	593	2.05	31,482	808	2.56	26,748	768	2.87	27,976	426	3.07	25,646	253	1.98
<b>Total . . . . .</b>	<b>308,184</b>	<b>3,695</b>	<b>1.20</b>	<b>327,461</b>	<b>5,159</b>	<b>1.58</b>	<b>333,714</b>	<b>5,767</b>	<b>1.73</b>	<b>331,746</b>	<b>2,971</b>	<b>1.81</b>	<b>348,303</b>	<b>2,120</b>	<b>1.22</b>

**Deposits**

We offer a wide variety of deposit accounts, including non-interest bearing demand deposits and interest-bearing savings and term deposits. We generally set the deposit rates according to market conditions. Rates offered vary according to the maturity, size and currency of the deposit. Interest is paid on term deposits at a fixed rate. When a term deposit is rolled over, the rate for deposits of the relevant maturity at the time of the roll-over is applied.



The following table sets forth the composition of our deposits.

	As of December 31,				As of June 30,			
	2017		2018		2019		2020	
	S\$		S\$		S\$	U.S.\$	S\$	U.S.\$
	<i>(in millions)</i>				<i>(in millions)</i>			
<b>Deposits of non-bank customers</b>								
Current accounts . . . . .	87,773		84,295		89,024	66,091	110,450	79,142
Savings deposits . . . . .	51,817		52,796		57,465	42,661	65,040	46,604
Term deposits . . . . .	113,161		124,866		123,334	91,562	101,999	73,086
Structured deposits . . . . .	4,917		6,744		5,656	4,199	5,649	4,048
Certificate of deposits issued . . .	21,630		21,616		20,402	15,146	18,240	13,070
Other deposits . . . . .	4,344		5,095		6,970	5,175	8,353	5,984
	<u>283,642</u>		<u>295,412</u>		<u>302,851</u>	<u>224,834</u>	<u>309,731</u>	<u>221,934</u>
Deposits and balances of banks . . . . .	7,485		7,576		8,250	6,125	12,460	8,928
<b>Total</b> . . . . .	<u>291,127</u>		<u>302,988</u>		<u>311,101</u>	<u>230,959</u>	<u>322,191</u>	<u>230,862</u>

The following table sets forth a breakdown of deposits of our non-bank customers by currency exposure.

	As of December 31,						As of June 30,			
	2017		2018		2019		2020			
	S\$	% of total	S\$	% of total	S\$	U.S.\$	% of total	S\$	U.S.\$	% of total
	<i>(in millions, except for percentages)</i>						<i>(in millions, except for percentages)</i>			
Singapore dollar . . . . .	97,665	34.4	105,327	35.7	107,278	79,642	35.4	113,805	81,546	36.7
U.S. dollar . . . . .	93,415	32.9	91,036	30.8	102,800	76,318	33.9	103,251	73,983	33.3
Malaysian Ringgit . . . . .	22,364	7.9	23,297	7.9	22,827	16,947	7.5	23,106	16,556	7.5
Indonesian Rupiah . . . . .	8,206	2.9	9,474	3.2	10,221	7,588	3.4	9,893	7,089	3.2
Japanese yen . . . . .	1,439	0.5	1,463	0.5	1,194	886	0.4	1,485	1,064	0.5
Hong Kong dollar . . . . .	28,640	10.1	28,428	9.6	25,905	19,232	8.6	24,490	17,548	7.9
British pound . . . . .	7,051	2.5	10,181	3.4	8,826	6,552	2.9	8,306	5,952	2.7
Australian dollar . . . . .	10,904	3.8	11,382	3.9	10,548	7,831	3.5	11,180	8,011	3.6
Euro . . . . .	1,857	0.7	2,962	1.0	2,847	2,114	0.9	3,018	2,162	1.0
Chinese Renminbi . . . . .	7,551	2.7	7,674	2.6	6,679	4,958	2.2	6,937	4,971	2.2
Others . . . . .	4,550	1.6	4,188	1.4	3,726	2,766	1.3	4,260	3,052	1.4
<b>Total</b> . . . . .	<u>283,642</u>	<u>100.0</u>	<u>295,412</u>	<u>100.0</u>	<u>302,851</u>	<u>224,834</u>	<u>100.0</u>	<u>309,731</u>	<u>221,934</u>	<u>100.0</u>

The following table sets forth a breakdown of deposits of our bank customers by currency exposure.

	As of December 31,						As of June 30,			
	2017		2018		2019		2020			
	S\$	% of total	S\$	% of total	S\$	U.S.\$	% of total	S\$	U.S.\$	% of total
	<i>(in millions, except for percentages)</i>						<i>(in millions, except for percentages)</i>			
Singapore dollar . . . . .	798	10.7	538	7.1	801	595	9.7	584	418	4.7
U.S. dollar . . . . .	4,635	61.9	4,104	54.2	4,287	3,183	52.0	5,860	4,199	47.0
Malaysian Ringgit . . . . .	242	3.2	218	2.9	184	137	2.2	254	182	2.0
Indonesian Rupiah . . . . .	141	1.9	112	1.5	273	203	3.3	318	228	2.6
Japanese yen . . . . .	36	0.5	63	0.8	35	26	0.4	145	104	1.2
Hong Kong dollar . . . . .	594	7.9	649	8.6	282	209	3.4	3,175	2,275	25.5
British pound . . . . .	9	0.1	12	0.2	24	18	0.3	84	60	0.7
Australian dollar . . . . .	326	4.4	543	7.2	516	383	6.3	200	143	1.6
Euro . . . . .	211	2.8	791	10.4	287	213	3.5	728	522	5.8
Chinese Renminbi . . . . .	304	4.1	357	4.7	1,105	820	13.4	821	588	6.6
Others . . . . .	189	2.5	189	2.4	456	338	5.5	291	209	2.3
<b>Total</b> . . . . .	<u>7,485</u>	<u>100.0</u>	<u>7,576</u>	<u>100.0</u>	<u>8,250</u>	<u>6,125</u>	<u>100.0</u>	<u>12,460</u>	<u>8,928</u>	<u>100.0</u>

The following table sets forth a breakdown of our total deposits (including deposits and balances of banks) by the remaining period to contractual maturity as of the dates indicated.

	As of December 31,				As of June 30,	
	2017	2018	2019		2020	
	S\$	S\$	S\$	U.S.\$	S\$	U.S.\$
	<i>(in millions)</i>				<i>(in millions)</i>	
Within 1 week . . . . .	163,440	161,053	170,961	126,920	199,191	142,728
1 week to 1 month . . . . .	43,493	43,614	42,195	31,325	44,285	31,732
1 to 3 months . . . . .	43,422	54,676	51,561	38,279	39,225	28,106
3 to 12 months . . . . .	37,602	38,359	42,805	31,778	36,826	26,387
1 to 3 years . . . . .	1,328	2,749	1,792	1,330	1,497	1,073
Over 3 years . . . . .	1,842	2,537	1,787	1,327	1,167	836
<b>Total</b> . . . . .	<u>291,127</u>	<u>302,988</u>	<u>311,101</u>	<u>230,959</u>	<u>322,191</u>	<u>230,862</u>

Although our funding consists primarily of short-term deposits, these deposits include savings deposits and current account which historically have been stable, while for term deposits, our experience has been that our non-bank customers generally roll over their deposits at maturity. These deposits have historically provided us with a stable source of long-term funds.



The following table shows our return on our assets and equity for the periods indicated. For the purposes of the following table, period averages are calculated based on the average of month-end values.

	Year ended December 31,									Six months ended June 30,					
	2017			2018			2019			2019			2020		
	Average Balance	Interest	Average Rate	Average Balance	Interest	Average Rate	Average Balance	Interest	Average Rate	Average Balance	Interest	Average Rate	Average Balance	Interest	Average Rate
S\$	S\$	%	S\$	S\$	%	S\$	S\$	%	S\$	S\$	%	S\$	S\$	%	
	<i>(in millions, except for percentages)</i>									<i>(in millions, except for percentages)</i>					
<b>Interest earning assets</b>															
Loans and advances to non-bank customers . . . . .	225,150	6,845	3.04	247,778	8,195	3.31	256,418	9,086	3.54	254,037	4,569	3.63	265,719	3,980	3.01
Placements with and loans to banks . . . . .	54,616	1,090	2.00	50,110	1,559	3.11	47,543	1,503	3.16	48,397	774	3.23	49,959	547	2.20
Other interest earning assets . . . . .	49,026	1,183	2.41	49,473	1,295	2.62	53,398	1,509	2.82	52,184	750	2.90	56,262	702	2.51
Total . . . . .	328,792	9,118	2.77	347,361	11,049	3.18	357,359	12,098	3.39	354,618	6,093	3.46	371,940	5,229	2.83

The following table shows our return on our assets and equity for the periods indicated. For the purposes of the following table, period averages are calculated based on the average of month-end values.

	As of December 31,				As of June 30,	
	2017	2018	2019	2020		
	S\$	S\$	S\$	U.S.\$	S\$	U.S.\$
	<i>(in millions, except for percentages)</i>				<i>(in millions, except for percentages)</i>	
Profit attributable to equity holders of OCBC Bank . . . . .	4,045	4,492	4,869	3,615	1,428	1,023
Average total assets . . . . .	430,601	461,217	477,395	354,414	507,216	363,439
Adjusted average total assets <sup>(1)(5)</sup> . . . . .	362,825	385,426	394,703	293,024	419,955	300,914
Average shareholders' equity . . . . .	37,834	39,751	44,378	32,946	47,560	34,079
Adjusted average ordinary shareholders' equity <sup>(2)(5)</sup> . . . . .	36,334	38,851	42,878	31,832	46,060	33,004
Adjusted return on assets (%) <sup>(3)(5)</sup> . . . . .	1.11	1.17	1.23	1.23	0.68	0.68
Adjusted return on ordinary shareholders' equity (%) <sup>(4)(5)</sup> . . . . .	11.0	11.5	11.2	11.2	6.1	6.1

**Notes:**

- (1) Defined as average total assets excluding life insurance fund investment assets (2017: S\$67,776 million, 2018: S\$75,791 million, 2019: S\$82,692 million, June 30, 2020: S\$87,261 million).
- (2) Defined as average shareholders' equity excluding preference shares (2017: S\$1,000 million, 2018: S\$44 million, 2019: Nil, June 30, 2020: Nil) and other equity instruments (2017: S\$500 million, 2018: S\$856 million, 2019: S\$1,500 million, June 30, 2020: S\$1,500 million).
- (3) Calculated by dividing profit attributable to equity holders of OCBC Bank by adjusted average total assets.
- (4) Calculated by dividing profit attributable to equity holders of OCBC Bank net of preference share dividends (2017: S\$43 million, 2018: Nil, 2019: Nil, June 30, 2020: Nil) and distributions on other equity instruments (2017: S\$19 million, 2018: S\$19 million, 2019: S\$59 million, June 30, 2020: S\$30 million) by adjusted average ordinary shareholders' equity.
- (5) Presented as a non-GAAP measure.

## Customer Loan Portfolio

As of June 30, 2020, loans to customers (net of allowances) were S\$264,391 million (U.S.\$189,446 million), representing 63.1% of total assets excluding life insurance fund investment assets. Gross loans to customers as of June 30, 2020 were S\$267,874 million (U.S.\$191,942 million) and 35.4% was denominated in Singapore dollars. As of June 30, 2020, gross loans to customers with credit exposure in Singapore, Greater China, Malaysia and Indonesia accounted for 40.8%, 25.1%, 10.6% and 7.3% of our loans to customers, respectively.

## Customer Loan Concentration

Our policy is to maintain a diversified customer loan portfolio without significant concentrations in any single customer or group of customers. The following table sets forth our gross customer loan portfolio by industry classification as of the dates indicated.

	As of December 31,						As of June 30,			
	2017		2018		2019		2020			
	S\$	% of total	S\$	% of total	S\$	U.S.\$	% of total	S\$	U.S.\$	% of total
	<i>(in millions, except for percentages)</i>						<i>(in millions, except for percentages)</i>			
Agriculture, mining and quarrying . . . . .	8,073	3.4	8,894	3.4	8,963	6,654	3.4	9,807	7,027	3.7
Manufacturing . . . . .	12,501	5.3	16,493	6.4	17,074	12,676	6.4	18,304	13,116	6.8
Building and construction . . . . .	35,436	14.9	53,511	20.8	64,686	48,022	24.4	69,023	49,458	25.8
Housing . . . . .	64,542	27.2	64,753	25.1	62,069	46,079	23.4	61,395	43,992	22.9
General commerce . . . . .	29,010	12.2	34,408	13.4	31,823	23,625	12.0	30,483	21,842	11.4
Transport, storage and communication . . . . .	11,568	4.9	13,510	5.2	13,311	9,882	5.0	15,081	10,806	5.6
Financial institutions, investment and holding companies . . . . .	37,838	15.9	23,916	9.3	24,542	18,220	9.3	21,896	15,689	8.2
Professionals and individuals . . . . .	28,704	12.1	30,373	11.8	30,322	22,511	11.5	28,895	20,704	10.8
Others . . . . .	9,649	4.1	11,847	4.6	11,983	8,896	4.6	12,990	9,308	4.8
Total . . . . .	<u>237,321</u>	<u>100.0</u>	<u>257,705</u>	<u>100.0</u>	<u>264,773</u>	<u>196,565</u>	<u>100.0</u>	<u>267,874</u>	<u>191,942</u>	<u>100.0</u>

## Consumer Loans

Housing loans form the second largest sector in our total loan portfolio. Housing loans accounted for 22.9% of gross total loans to customers as of June 30, 2020. Housing loans are made to individuals for the purchase of residential properties either for owner occupation or for investment.

We also provide loans to professionals and individuals for the purchase of non-residential properties, including commercial and industrial properties. Other consumer lending includes car loans, share financing facilities, credit card receivables, revolving lines of credit and renovation loans.

Loans to customers repayable on demand and loans to customers maturing in less than one year constituted 38.2% of gross loans to customers as of June 30, 2020. The category of gross loans to customers with maturities of less than one year, however, includes revolving credit and overdraft facilities, which are typically renewed upon roll-over and, due to actual repayment patterns, may be of a longer-term nature.

The following table sets forth an analysis of our gross loans to customers by remaining time to contractual maturity.

	As of December 31,						As of June 30,			
	2017		2018		2019		2020			
	S\$	% of total	S\$	% of total	S\$	U.S.\$	% of total	S\$	U.S.\$	% of total
	<i>(in millions, except for percentages)</i>						<i>(in millions, except for percentages)</i>			
One year or less . . . . .	96,639	40.7	107,516	41.7	105,909	78,626	40.0	102,289	73,294	38.2
One to three years . . . . .	36,861	15.5	41,075	15.9	42,735	31,726	16.1	49,465	35,444	18.5
Over three years . . . . .	103,821	43.8	109,114	42.4	116,129	86,213	43.9	116,120	83,204	43.3
Total . . . . .	<u>237,321</u>	<u>100.0</u>	<u>257,705</u>	<u>100.0</u>	<u>264,773</u>	<u>196,565</u>	<u>100.0</u>	<u>267,874</u>	<u>191,942</u>	<u>100.0</u>

#### *Financial Institutions, Investment and Holding Companies*

Gross loans to financial institutions, investment and holding companies accounted for 8.2% of gross total loans to customers as of June 30, 2020. Major customers include a variety of non-bank financial institutions, such as insurance companies, securities companies and unit trusts, leasing and credit companies and investment companies. Certain holding companies are engaged in property-related activities.

#### *Building and Construction*

Gross loans to the building and construction industry were the largest sector in our total loan portfolio, accounting for 25.8% of gross loans to customers as of June 30, 2020. We provide funding, mainly on a secured basis, for a variety of projects, such as office buildings and complexes, residential developments, industrial and retail developments. Within the building and construction sector, we also set and monitor limits on the overall mix of projects in order to avoid excess concentration in any one sub-sector.

#### *Other Sectors*

As of June 30, 2020, other significant sectors included general commerce (11.4% of gross total loans to customers), professionals and individuals (10.8%), the manufacturing sector (6.8%), the transport, storage and communication sector (5.6%) and the agriculture, mining and quarrying sector (3.7%).

Loans in the "Others" category accounted for 4.8% of gross total loans to customers as of June 30, 2020. Such loans cover a wide variety of businesses and include mainly lending to statutory boards, hotels and other SMEs engaged in businesses such as restaurants, entertainment, recreation and business and household services.

## Placements with and Loans to Banks

Our placements with and loans to banks amounted to S\$36,158 million (U.S.\$25,909 million) (representing 8.6% of total assets excluding life insurance fund investment assets) as of June 30, 2020.

### Foreign Loans

The following table sets forth our gross loans to customers by geography based on the location where the credit risks reside, regardless of where the transactions are booked.

	As of December 31,						As of June 30,			
	2017		2018		2019		2020			
	S\$	% of total assets <sup>(1)</sup>	S\$	% of total assets <sup>(1)</sup>	S\$	U.S.\$	% of total assets <sup>(1)</sup>	S\$	U.S.\$	% of total assets <sup>(1)</sup>
	<i>(in millions, except for percentages)</i>						<i>(in millions, except for percentages)</i>			
Singapore . . . . .	99,872	26.4	108,169	27.7	108,981	80,906	27.0	109,290	78,310	26.1
Malaysia . . . . .	28,231	7.5	29,649	7.6	28,585	21,221	7.1	28,468	20,398	6.8
Indonesia . . . . .	19,259	5.1	19,660	5.0	19,680	14,610	4.9	19,623	14,061	4.7
Greater China . . . . .	59,114	15.6	64,404	16.5	65,358	48,521	16.2	67,342	48,253	16.1
Other Asia Pacific . . . . .	12,754	3.4	13,595	3.5	15,674	11,636	3.9	17,595	12,608	4.2
Rest of World . . . . .	18,091	4.8	22,228	5.7	26,495	19,671	6.6	25,556	18,312	6.1
Total . . . . .	<u>237,321</u>	<u>62.8</u>	<u>257,705</u>	<u>66.0</u>	<u>264,773</u>	<u>196,565</u>	<u>65.7</u>	<u>267,874</u>	<u>191,942</u>	<u>64.0</u>

**Note:**

(1) Total assets exclude life insurance fund investment assets.

The following table sets forth the composition of our fixed rate loans and our variable rate loans by geography based on where the transactions are booked as of the dates indicated.

	As of December 31,			
	2017	2018	2019	
	S\$	S\$	S\$	U.S.\$
	<i>(in millions)</i>			
Fixed rate loans				
Singapore . . . . .	5,081	6,540	12,342	9,163
Malaysia . . . . .	2,782	2,993	3,073	2,281
Indonesia . . . . .	1,052	1,317	1,291	958
Greater China . . . . .	6,446	7,565	6,560	4,870
Other Asia Pacific . . . . .	198	160	160	119
Rest of the World . . . . .	10	10	#	#
Sub-total . . . . .	<u>15,569</u>	<u>18,585</u>	<u>23,426</u>	<u>17,391</u>

	<b>As of December 31,</b>			
	<b>2017</b>	<b>2018</b>	<b>2019</b>	
	<b>S\$</b>	<b>S\$</b>	<b>S\$</b>	<b>U.S.\$</b>
		<i>(in millions)</i>		
Variable rate loans				
Singapore . . . . .	137,028	149,474	147,250	109,317
Malaysia . . . . .	25,056	26,130	25,228	18,729
Indonesia . . . . .	9,533	9,860	10,329	7,668
Greater China . . . . .	37,464	38,339	38,572	28,636
Other Asia Pacific . . . . .	7,196	8,066	9,782	7,262
Rest of the World . . . . .	5,475	7,251	10,186	7,562
Sub-total . . . . .	<u>221,752</u>	<u>239,120</u>	<u>241,347</u>	<u>179,174</u>
Total . . . . .	<u><u>237,321</u></u>	<u><u>257,705</u></u>	<u><u>264,773</u></u>	<u><u>196,565</u></u>

**Note:**

# represents amounts less than S\$0.5 million.

The Group’s country risk framework covers the assessment and rating of countries, as well as the maximum cross-border transfer risk limit granted to any one country based on its risk rating. The risk covers all cross-border transactions, including onshore non-local currency transaction. Limits are allocated into maturity time bands and vary according to the risk rating of the country and the political and economic outlook. The Group’s main cross-border transfer risk exposures during the financial years ended December 31, 2017, 2018 and 2019 were in Hong Kong SAR, People’s Republic of China and Malaysia.

**Credit Facilities and Exposure Limits**

Section 29 of the Banking Act, Chapter 19 of Singapore (the “**Banking Act**”) and MAS Notice 639 on Exposures to Single Counterparty Groups (“**MAS Notice 639**”), issued pursuant to Section 29 of the Banking Act, set out the limits on our exposure to a single counterparty group, the types of exposures to be included in or excluded from these limits, the basis for computation of exposures, the approach for aggregating exposures to counterparties that pose a single risk to the bank, the recognition of credit risk mitigation and aggregating of exposures at the bank group level.

MAS Notice 639 sets out our “large exposures limit” and “substantial exposures limit” to a “single counterparty group” (as respectively defined in MAS Notice 639). In this regard, a bank shall not permit the aggregate of its exposures to any single counterparty group to exceed 25% of the applicable eligible total capital. In addition, the aggregate of its exposures exceeding 10% of the applicable eligible total capital must not exceed 50% or such other percentage of applicable total exposures as may be approved by the MAS.

As of June 30, 2020, our group exposure limit was S\$8,998 million (U.S.\$6,447 million).

**NPL Management**

NPLs are managed by the Group Risk Management Division.



## ***Non-Performing Assets***

Total non-performing assets were S\$4,351 million (U.S.\$3,118 million) as of June 30, 2020 as compared to S\$3,883 million (U.S.\$2,883 million) as of December 31, 2019. Singapore non-performing assets amounted to S\$1,935 million (U.S.\$1,387 million) while Malaysia non-performing assets were S\$845 million (U.S.\$605 million) as of June 30, 2020, accounting for 44.5% and 19.4% of total non-performing assets, respectively. Of the total non-performing assets as of June 30, 2020, 59.4% were in the Substandard category while 64.5% were secured by collateral. Our NPL ratio was 1.6% as of June 30, 2020, as compared to 1.5% as of December 31, 2019.

## ***Classification of Non-Performing Loans***

We classify our loans (including the loans of our branches and subsidiaries operating outside Singapore) in accordance with guidelines adopted by the MAS as well as internal loan grading policies. The MAS guidelines require banks to categorize their loan portfolios into five categories – two categories for performing loans (Pass and Special Mention) and three categories for classified, or non-performing, loans (Substandard, Doubtful and Loss).

Pass loans are loans that show no evidence of weaknesses and timely repayment is not in doubt, whereas Special Mention loans are those that exhibit potential evidence of weakness that, if not corrected in a timely manner, may adversely affect future repayment of these loans.

We classify loans that are non-performing as NPLs and these are assigned credit grades of Substandard, Doubtful or Loss, generally in line with international standards, and in accordance with MAS Notice 612:

- (a) Substandard: Where timely repayment or settlement is at risk.
- (b) Doubtful: Where full repayment and/or settlement are improbable, that is, recovery of the outstanding debt is questionable and prospect of a loss is high, but the exact amount of the loss cannot be accurately determined as yet.
- (c) Loss: Where the outstanding debt is regarded as uncollectible.

On May 12, 2017, the MAS issued the Consultation Paper on Proposed Amendments to Regulatory Requirements in relation to Credit Loss Provisioning which proposes certain amendments to MAS Notice 612 in relation to the changes in the recognition and measurement of allowance for credit losses introduced in SFRS(I) 9. The MAS has released its response to feedback received on October 19, 2017 and re-issued MAS Notice 612 on December 29, 2017 (with effect from January 1, 2018). In MAS Notice 612, the MAS removed the regulatory requirement on minimum impairment provisions for credit-impaired exposures and imposed the requirement on locally-incorporated D-SIBs to maintain Minimum Regulatory Loss Allowances. MAS Notice 612 provides that banks are to measure and recognize loss allowances for expected credit losses, including the Minimum Regulatory Loss Allowances, in accordance with the requirements of SFRS(I) 9. Where the Accounting Loss Allowance falls below the Minimum Regulatory Loss Allowance, a locally-incorporated D-SIB is required to recognize the additional loss allowance by establishing a non-distributable regulatory loss allowance reserve (“**RLAR**”) through appropriation of retained earnings.

From and upon transition to SFRS(I) 9 on January 1, 2018, the Accounting Loss Allowance was in the range of 70.0% to 80.0% of the Minimum Regulatory Loss Allowances, with the RLAR at 20.0% to 30.0%.

## Loan Loss Provisioning and Write-Off Policies

Our aim is to adopt prudent provisioning policies. We maintain sufficient impairment allowances to absorb credit losses inherent in our loan portfolios. Allowance for Expected Credit Losses (“ECL”) is recognised for credit-impaired and non credit-impaired exposures in accordance with SFRS(I) 9 and MAS Notice 612 through a forward-looking ECL model. ECL allowances are assessed based on the stages of asset quality.

Allowances for impaired assets as a percentage of total non-performing assets were, 36.0%, 31.0%, 36.0% and 42.3% as of December 31, 2017, 2018 and 2019 and June 30, 2020, respectively. Total allowances coverage ratio, defined as cumulative allowances (impaired and non-impaired) as a percentage of total non-performing assets were 76.9%, 70.3%, 85.5% and 100.8% as of December 31, 2017, 2018 and 2019 and June 30, 2020, respectively.

In valuing collateral to determine the unsecured portion of a loan, if any, the forced sale value is used, which is generally a discount to the prevailing market value as assessed by professional valuers. Valuation of collateral will be done as and when we deem it necessary or appropriate (e.g., during periods of falling asset values or when a loan is classified as non-performing). Generally, for NPLs, collateral values are reviewed at least on a quarterly basis.

We write off a particular NPL after our management has determined that the particular NPL is not recoverable, or when little or nothing can be done to recover the outstanding amount from any collateral or from the assets of the borrower.

The following table sets forth information with respect to our non-performing assets by grading and geography. Geography is determined based on where the credit risk resides.

	Total non-performing assets <sup>(1)</sup>	Sub-Standard	Doubtful	Loss	Secured non-performing assets/ Total non-performing assets	NPL Ratio <sup>(2)</sup>
	S\$	S\$	S\$	S\$	%	%
<i>(in millions, except for percentages)</i>						
<b>Singapore</b>						
As of December 31, 2017. . .	1,132	772	212	148	73.1	1.1
As of December 31, 2018. . .	1,540	923	433	184	65.0	1.3
As of December 31, 2019. . .	1,717	1,309	237	171	79.2	1.5
As of June 30, 2020. . . . .	1,935	1,439	322	174	76.9	1.7
<b>Malaysia</b>						
As of December 31, 2017. . .	862	485	335	42	77.4	3.0
As of December 31, 2018. . .	806	395	369	42	70.9	2.7
As of December 31, 2019. . .	738	372	321	45	60.1	2.5
As of June 30, 2020. . . . .	845	439	352	54	60.6	2.9
<b>Indonesia</b>						
As of December 31, 2017. . .	589	399	29	161	73.4	3.1
As of December 31, 2018. . .	619	406	95	118	75.0	3.1
As of December 31, 2019. . .	678	289	222	167	49.7	3.4
As of June 30, 2020. . . . .	723	311	213	199	51.9	3.7

	Total non-performing assets <sup>(1)</sup>	Sub-Standard	Doubtful	Loss	Secured non-performing assets/ Total non-performing assets	NPL Ratio <sup>(2)</sup>
	S\$	S\$	S\$	S\$	%	%
	<i>(in millions, except for percentages)</i>					
<b>Greater China</b>						
As of December 31, 2017. . .	232	74	110	48	54.4	0.4
As of December 31, 2018. . .	262	120	106	36	49.9	0.4
As of December 31, 2019. . .	230	54	133	43	51.7	0.4
As of June 30, 2020. . . . .	312	103	161	48	44.5	0.4
<b>Other Asia Pacific</b>						
As of December 31, 2017. . .	252	223	29	–	68.7	2.0
As of December 31, 2018. . .	176	158	18	#	57.3	1.2
As of December 31, 2019. . .	101	77	23	1	58.8	0.6
As of June 30, 2020. . . . .	104	72	31	1	56.3	0.6
<b>Rest of the World</b>						
As of December 31, 2017. . .	401	386	13	2	97.3	2.2
As of December 31, 2018. . .	535	354	180	1	66.5	2.4
As of December 31, 2019. . .	419	229	183	7	56.4	1.6
As of June 30, 2020. . . . .	432	219	206	7	54.5	1.7
<b>Group</b>						
As of December 31, 2017. . .	3,468	2,339	728	401	75.5	1.5
As of December 31, 2018. . .	3,938	2,356	1,201	381	66.7	1.5
As of December 31, 2019. . .	3,883	2,330	1,119	434	65.8	1.5
As of June 30, 2020. . . . .	4,351	2,583	1,285	483	64.5	1.6

**Notes:**

(1) Non-performing assets comprise non-bank loans, debt securities and contingent liabilities.

(2) NPLs exclude debt securities and contingent liabilities.

# represents amounts less than S\$0.5 million.

The following table sets forth information with respect to our allowance coverage by geography.

	<b>Allowances for impaired assets/ Total non- performing assets<sup>(1)</sup></b>	<b>Cumulative allowances/ Total non- performing assets<sup>(1)</sup></b>
	%	%
<b>Singapore</b>		
As of December 31, 2017 .....	28.2	67.4
As of December 31, 2018 .....	31.3	75.4
As of December 31, 2019 .....	39.6	86.0
As of June 30, 2020.....	48.5	104.6
<b>Malaysia</b>		
As of December 31, 2017 .....	39.4	71.8
As of December 31, 2018 .....	41.3	68.5
As of December 31, 2019 .....	41.7	80.8
As of June 30, 2020.....	38.3	81.8
<b>Indonesia</b>		
As of December 31, 2017 .....	39.4	70.7
As of December 31, 2018 .....	32.2	65.7
As of December 31, 2019 .....	34.9	84.1
As of June 30, 2020.....	44.6	92.8
<b>Greater China</b>		
As of December 31, 2017 .....	26.5	184.8
As of December 31, 2018 .....	23.4	148.9
As of December 31, 2019 .....	20.5	166.5
As of June 30, 2020.....	18.1	171.2
<b>Other Asia Pacific</b>		
As of December 31, 2017 .....	44.1	77.0
As of December 31, 2018 .....	1.4	25.8
As of December 31, 2019 .....	31.2	92.5
As of June 30, 2020.....	41.0	118.6
<b>Rest of the World</b>		
As of December 31, 2017 .....	46.2	61.4
As of December 31, 2018 .....	26.6	40.1
As of December 31, 2019 .....	22.5	48.0
As of June 30, 2020.....	36.9	78.7
<b>Group</b>		
As of December 31, 2017 .....	36.0	76.9
As of December 31, 2018 .....	31.0	70.3
As of December 31, 2019 .....	36.0	85.5
As of June 30, 2020.....	42.3	100.8

**Notes:**

(1) Non-performing assets comprise non-bank loans, debt securities and contingent liabilities.

(2) Included regulatory loss allowance reserve for period ended December 31, 2018, December 31, 2019 and June 30, 2020.

## Non-Performing Asset Strategy

We have taken steps to manage our asset quality more actively. These steps include an early warning system for potential NPLs, stringent classification and provisioning standards, and two specialized units focusing on loan restructuring and recovery.

The following table sets forth information with respect to the credit quality of our loan portfolio as of the dates indicated.

	As of December 31,				As of June 30,	
	2017	2018	2019		2020	
	S\$	S\$	S\$	U.S.\$	S\$	U.S.\$
	<i>(in millions, except for percentages)</i>				<i>(in millions, except for percentages)</i>	
Substandard . . . . .	2,324	2,312	2,310	1,715	2,546	1,824
Doubtful . . . . .	693	1,145	1,094	812	1,200	860
Loss . . . . .	398	381	434	322	483	346
Total non-performing loans . .	<u>3,415</u>	<u>3,838</u>	<u>3,838</u>	<u>2,849</u>	<u>4,229</u>	<u>3,030</u>
Total non-performing loans as a percentage of gross loans . . . . .	1.5%	1.5%	1.5%	1.5%	1.6%	1.6%

## Industry Classification of NPLs

Our NPLs are spread across various industrial sectors, such as manufacturing, building and construction, housing loans and general commerce. Overall, our asset quality remains stable. The following table shows the industry classification of our NPLs as of the dates indicated.

	As of December 31,						As of June 30,			
	2017		2018		2019		2020			
	S\$	% of total loans <sup>(1)</sup>	S\$	% of total loans <sup>(1)</sup>	S\$	U.S.\$	% of total loans <sup>(1)</sup>	S\$	U.S.\$	% of total loans <sup>(1)</sup>
	<i>(in millions, except for percentages)</i>						<i>(in millions, except for percentages)</i>			
Agriculture, mining and quarrying . . . . .	305	3.8	555	6.2	468	347	5.2	456	327	4.6
Manufacturing . . . . .	304	2.4	395	2.4	468	347	2.7	597	428	3.3
Building and construction . .	59	0.2	143	0.3	155	115	0.2	173	124	0.3
Housing . . . . .	392	0.6	429	0.7	435	323	0.7	436	312	0.7
General commerce . . . . .	291	1.0	676	2.0	555	412	1.7	638	457	2.1
Transport, storage and communication . . . . .	1,277	11.0	1,328	9.8	1,563	1,160	11.7	1,722	1,234	11.4
Financial institutions, investment and holding companies . . . . .	376	1.0	38	0.2	25	19	0.1	29	21	0.1
Professionals and individuals . . . . .	146	0.5	118	0.4	123	91	0.4	133	95	0.5
Others . . . . .	265	2.7	156	1.3	46	35	0.4	45	32	0.4
<b>Total . . . . .</b>	<u>3,415</u>	<u>1.5</u>	<u>3,838</u>	<u>1.5</u>	<u>3,838</u>	<u>2,849</u>	<u>1.5</u>	<u>4,229</u>	<u>3,030</u>	<u>1.6</u>

### Note:

(1) Computed as a percentage of gross loans within each industry classification.

The following table shows the industry classification of our allowances for impaired loans as of the dates indicated.

	As of December 31,				As of June 30,	
	2017	2018	2019		2020	
	S\$	S\$	S\$	U.S.\$	S\$	U.S.\$
		<i>(in millions)</i>			<i>(in millions)</i>	
Agriculture, mining and quarrying . . . . .	134	146	159	118	178	128
Manufacturing . . . . .	63	64	132	98	172	123
Building and construction . . .	12	17	36	27	52	37
Housing . . . . .	42	39	47	35	39	28
General commerce . . . . .	139	272	174	129	194	139
Transport, storage and communication . . . . .	499	499	726	539	1,029	737
Financial institutions, investment and holding companies . . . . .	124	74	46	34	97	70
Professionals and individuals . . . . .	90	68	63	47	69	49
Others . . . . .	133	40	12	9	10	7
Total . . . . .	<u>1,236</u>	<u>1,219</u>	<u>1,395</u>	<u>1,036</u>	<u>1,840</u>	<u>1,318</u>

The following table shows the industry classification of our net allowances for impaired loans charged/(written back) of loans to our income statement for the periods indicated.

	Year ended December 31,			
	2017	2018	2019	
	S\$	S\$	S\$	U.S.\$
		<i>(in millions)</i>		
Agriculture, mining and quarrying . . . . .	175	69	20	15
Manufacturing . . . . .	93	33	107	79
Building and construction . . . . .	48	6	19	14
Housing . . . . .	11	5	69	51
General commerce . . . . .	92	185	90	67
Transport, storage and communication . .	694	7	366	272
Financial institutions, investment and holding companies . . . . .	130	51	134	99
Professionals and individuals . . . . .	52	26	37	27
Others . . . . .	112	15	14	10
Total . . . . .	<u>1,407</u>	<u>397</u>	<u>856</u>	<u>634</u>

The following table sets forth our non-performing assets analyzed by geography as of the dates indicated. Geography is determined based on where the credit risk resides.

	Singapore	Malaysia	Rest of the World	Total
	S\$	S\$	S\$	S\$
	<i>(in millions)</i>			
<b>As of December 31, 2017:</b>				
Substandard . . . . .	772	485	1,082	2,339
Doubtful . . . . .	212	335	181	728
Loss . . . . .	148	42	211	401
Total non-performing assets . . . . .	1,132	862	1,474	3,468
Allowances for impaired assets . . . . .	(320)	(340)	(587)	(1,247)
Total non-performing assets net of allowances for impaired assets . . . . .	812	522	887	2,221
<b>As of December 31, 2018:</b>				
Substandard . . . . .	923	395	1,038	2,356
Doubtful . . . . .	433	369	399	1,201
Loss . . . . .	184	42	155	381
Total non-performing assets . . . . .	1,540	806	1,592	3,938
Allowances for impaired assets . . . . .	(483)	(333)	(403)	(1,219)
Total non-performing assets net of allowances for impaired assets . . . . .	1,057	473	1,189	2,719
<b>As of December 31, 2019:</b>				
Substandard . . . . .	1,309	372	649	2,330
Doubtful . . . . .	237	321	561	1,119
Loss . . . . .	171	45	218	434
Total non-performing assets . . . . .	1,717	738	1,428	3,883
Allowances for impaired assets . . . . .	(679)	(308)	(408)	(1,395)
Total non-performing assets net allowances for impaired assets . . . . .	1,038	430	1,020	2,488
<b>As of June 30, 2020:</b>				
Substandard . . . . .	1,439	439	705	2,583
Doubtful . . . . .	322	352	611	1,285
Loss . . . . .	174	54	255	483
Total non-performing assets . . . . .	1,935	845	1,571	4,351
Allowances for impaired assets . . . . .	(937)	(323)	(580)	(1,840)
Total non-performing assets net of allowances for impaired assets . . . . .	998	522	991	2,511

The following table shows our cumulative allowances for loans by geography as a percentage of our total loans by the respective geography, as of the dates indicated.

	As of December 31,			As of June 30,
	2017	2018	2019	2020
	%	%	%	%
Singapore . . . . .	0.8	1.1	1.4	1.9
Malaysia . . . . .	2.2	1.9	2.1	2.4
Indonesia . . . . .	2.2	2.1	2.9	3.4
Greater China . . . . .	0.7	0.6	0.6	0.8
Other Asia Pacific . . . . .	1.5	0.3	0.6	0.7
Rest of the World . . . . .	1.4	1.0	0.8	1.3
Total . . . . .	1.1	1.1	1.3	1.6

**Changes in Cumulative Allowances**

The following tables show changes in our cumulative specific and portfolio allowances of loans for the periods indicated. For the purposes of the following table, period averages are calculated based on the average of month-end values.

	Year ended December 31, 2017
	S\$ (in millions, except for ratios)
<b>Specific allowances</b>	
Balance at January 1 . . . . .	617
Currency translation . . . . .	(29)
Write-offs . . . . .	(741)
Recovery . . . . .	(65)
Allowances for loans . . . . .	1,472
Net allowances . . . . .	1,407
Interest recognition on impaired loans . . . . .	(20)
Transfers . . . . .	2
Balance as of December 31 . . . . .	1,236
Ratio of allowances for impaired loans at period end to average loans outstanding during the period . . . . .	0.5%
<b>Portfolio allowances</b>	
Balance at January 1 . . . . .	2,241
Currency translation . . . . .	(38)
Write-back to income statement . . . . .	(786)
Balance as of December 31 . . . . .	1,417



The following table shows changes in the Group's expected credit loss for the years ended December 31, 2018 and 2019 and for the six months ended June 30, 2020.

	Year ended December 31, 2018			
	Stage 1	Stage 2	Stage 3	Total
	<i>(in S\$ millions)</i>			
<b>Allowances for financial assets</b>				
Balance at January 1 . . . . .	457	677	1,249	2,383
Transfer to Stage 1 . . . . .	595	(567)	(28)	–
Transfer to Stage 2 . . . . .	(92)	128	(36)	–
Transfer to Stage 3 . . . . .	(3)	(117)	120	–
Remeasurement <sup>(1)</sup> . . . . .	(696)	439	330	73
New financial assets originated or purchased . . . . .	606	218	–	824
Financial assets that have been derecognised . . . . .	(407)	(258)	–	(665)
Change in models <sup>(2)</sup> . . . . .	36	–	–	36
Write-offs . . . . .	–	–	(425)	(425)
Foreign exchange and other movements . . . . .	(5)	3	11	9
Balance as of December 31 . . . . .	<u>491</u>	<u>523</u>	<u>1,221</u>	<u>2,235</u>

	Year ended December 31, 2019				Total <i>(U.S.\$ millions)</i>
	Stage 1	Stage 2	Stage 3	Total	
	<i>(in S\$ millions)</i>				
<b>Allowances for financial assets</b>					
Balance at January 1 . . . . .	491	523	1,221	2,235	1,659
Transfer to Stage 1 . . . . .	474	(446)	(28)	–	–
Transfer to Stage 2 . . . . .	(104)	149	(45)	–	–
Transfer to Stage 3 . . . . .	(4)	(186)	190	–	–
Remeasurement <sup>(1)</sup> . . . . .	(563)	514	714	665	494
New financial assets originated or purchased . . . . .	545	239	–	784	582
Financial assets that have been derecognised . . . . .	(374)	(216)	–	(590)	(438)
Change in models <sup>(2)</sup> . . . . .	4	–	–	4	3
Write-offs . . . . .	–	–	(642)	(642)	(477)
Foreign exchange and other movements . . . . .	1	1	(13)	(11)	(8)
Balance as of December 31 . . . . .	<u>470</u>	<u>578</u>	<u>1,397</u>	<u>2,445</u>	<u>1,815</u>

**Six months ended June 30, 2020**

	<b>Stage 1</b>	<b>Stage 2</b>	<b>Stage 3</b>	<b>Total</b>	<b>Total</b>
					<i>(U.S.\$ millions)</i>
					<i>(in S\$ millions)</i>
Allowances for financial assets					
Balance at January 1 . . . . .	470	578	1,397	2,445	1,752
Transfer to Stage 1 . . . . .	252	(239)	(13)	–	–
Transfer to Stage 2 . . . . .	(94)	102	(8)	–	–
Transfer to Stage 3 . . . . .	(2)	(57)	59	–	–
Remeasurement <sup>(1)</sup> . . . . .	147	396	719	1,262	904
New financial assets originated or purchased . . . . .	302	118	–	420	301
Financial assets that have been derecognised . . . . .	(213)	(124)	–	(337)	(241)
Change in models <sup>(2)</sup> . . . . .	23	–	–	23	16
Write-offs . . . . .	–	–	(344)	(344)	(246)
Foreign exchange and other movements . . . . .	6	3	32	41	29
Balance as of June 30 . . . . .	<u>891</u>	<u>777</u>	<u>1,842</u>	<u>3,510</u>	<u>2,515</u>

**Notes:**

- (1) Remeasurement includes the changes in model inputs or assumptions such as changes in the forward-looking macroeconomic variables, partial repayments, additional drawdowns on existing facilities, changes in the measurement after a transfer between stages 1, 2 and 3, and the unwinding impact of time value of money.
- (2) Changes in models include significant changes to the quantitative models used to estimate the impacts of the expected credit losses.
- (3) Includes expected credit loss on contingent liabilities and other credit commitments.
- # represents amounts less than S\$0.5 million.

**Non-Performing Assets Analyzed by Period Overdue**

The following table sets forth our non-performing assets analyzed by period overdue as of the dates indicated.

	<b>As of December 31,</b>						<b>As of June 30,</b>			
	<b>2017</b>		<b>2018</b>		<b>2019</b>		<b>2020</b>			
	<b>S\$</b>	<b>%</b>	<b>S\$</b>	<b>%</b>	<b>S\$</b>	<b>U.S.\$</b>	<b>%</b>	<b>S\$</b>	<b>U.S.\$</b>	<b>%</b>
							<i>(in millions, except for percentages)</i>			
Over 180 days . . . . .	1,212	34.9	1,225	31.1	1,770	1,314	45.6	2,227	1,596	51.2
Over 90 to 180 days . . . . .	257	7.5	397	10.1	173	128	4.5	201	144	4.6
30 to 90 days . . . . .	313	9.0	396	10.1	530	394	13.6	212	152	4.9
Less than 30 days . . . . .	48	1.4	164	4.2	474	352	12.2	719	515	16.5
Not overdue . . . . .	1,638	47.2	1,756	44.5	936	695	24.1	992	711	22.8
<b>Total</b> . . . . .	<u>3,468</u>	<u>100.0</u>	<u>3,938</u>	<u>100.0</u>	<u>3,883</u>	<u>2,883</u>	<u>100.0</u>	<u>4,351</u>	<u>3,118</u>	<u>100.0</u>

### **Analysis of Non-Performing Assets by Collateral Type**

The following table sets forth information with respect to our non-performing assets by collateral type as of the dates indicated.

	As of December 31,				As of June 30,	
	2017	2018	2019		2020	
	S\$	S\$	S\$	U.S.\$	S\$	U.S.\$
		<i>(in millions)</i>			<i>(in millions)</i>	
Property . . . . .	752	855	863	641	957	686
Fixed deposits . . . . .	3	5	6	4	11	8
Stocks and shares . . . . .	12	6	128	95	147	105
Motor vehicles . . . . .	2	3	4	3	6	4
Secured – Others . . . . .	1,848	1,756	1,554	1,154	1,687	1,209
Unsecured – Corporate and other guarantees . . . . .	375	759	491	365	596	427
Unsecured – Clean . . . . .	476	554	837	621	947	679
<b>Total</b> . . . . .	<u>3,468</u>	<u>3,938</u>	<u>3,883</u>	<u>2,883</u>	<u>4,351</u>	<u>3,118</u>

### **Securities-Related Activities**

#### **Securities Portfolio**

Our total securities portfolio (consisting of government securities, fair value through profit and loss (“FVTPL”) and fair value through other comprehensive income (“FVOCI”) debt and equity securities (2017: available for sale) and debt securities measured at amortized cost (2017: loans and receivables) at their carrying values accounted for 15.3% of total assets (excluding life insurance fund investment assets) as of June 30, 2020. Singapore government securities and treasury bills accounted for 2.7% of total assets (excluding life insurance fund investment assets) as of June 30, 2020.

Singapore government and other government securities may be used to satisfy a portion of our reserve requirements.

Our FVOCI debt and equity securities accounted for 5.6% of total assets (excluding life insurance fund investment assets) as of June 30, 2020, and consisted mainly of corporate debt securities.

The following tables set forth carrying values (including assets pledged) relating to our securities portfolio as of the dates indicated.

	As of December 31,				As of June 30,	
	2017	2018	2019		2020	
	S\$	S\$	S\$	U.S.\$	S\$	U.S.\$
		<i>(in millions)</i>			<i>(in millions)</i>	
Singapore government treasury bills and securities . . .	9,840	9,611	11,042	8,198	11,117	7,966
Other government treasury bills and securities . . . . .	17,637	18,193	17,712	13,149	20,998	15,046
Debt securities . . . . .	21,327	22,275	25,023	18,576	27,332	19,584
Equity securities . . . . .	3,028	2,685	2,419	1,796	2,499	1,791
Investment funds . . . . .	894	1,225	1,811	1,344	2,382	1,707
<b>Total</b> . . . . .	<b>52,726</b>	<b>53,989</b>	<b>58,007</b>	<b>43,063</b>	<b>64,328</b>	<b>46,094</b>

The following tables set forth the total composition and maturity of our securities portfolio as of December 31, 2019.

	As of December 31, 2019				
	One year or less	One to three years	Over three years	No specific maturity	Total
	S\$	S\$	S\$	S\$	S\$
			<i>(in millions)</i>		
Government securities . . . . .	12,173	8,101	8,480	–	28,754
Debt securities . . . . .	5,290	10,354	9,379	–	25,023
Equity securities . . . . .	–	–	–	2,419	2,419
Investment funds . . . . .	–	–	–	1,811	1,811
<b>Total</b> . . . . .	<b>17,463</b>	<b>18,455</b>	<b>17,859</b>	<b>4,230</b>	<b>58,007</b>

## Risk Management

We believe that sound risk management is critical to the success of our risk-taking activities. Our philosophy is to ensure that risks and returns remain consistent with our risk appetite. To achieve this, we identify any emerging portfolio threats and credit concentrations at an early stage in order to develop timely risk-response strategies.

The key elements of our enterprise-wide risk management strategy are:

- Risk appetite – The Board of Directors of OCBC Bank (the “**Board of Directors**” or “**Board**”) approves our risk appetite, and that all risks are managed in alignment with the risk appetite. Risk-taking decisions must be consistent with strategic business goals and returns should be commensurate with the risks taken.
- Risk frameworks – Our risk management frameworks for all risk types are effective, comprehensive and consistent.

- Holistic risk management – Risks are managed holistically, with a view to understanding the potential interactions among risk types.
- Qualitative and quantitative evaluations – Risks are evaluated both qualitatively and with appropriate quantitative analyses and robust stress testing. Risk models are regularly reviewed and independently validated to ensure they are appropriate and effective.

We believe that cultivating a strong risk culture and a robust internal control environment throughout the Group is necessary for sound risk management. Risk ownership is a shared responsibility between the business and risk functions and is jointly owned among customer-facing and product business units, dedicated and independent functional risk management units, as well as other support units such as Operations and Technology. Group Audit also provides independent assurance that our risk management system, control and governance processes comply with regulatory requirements, internal rules and standards and are effective. Rigorous stress testing and scenario analyses are used to identify possible events or market conditions that could adversely affect us. These results are taken into account in our formulation of our business strategy, capital adequacy assessment and risk limit setting.

This risk management section discusses the risk management practices, policies and frameworks of OCBC Group, excluding Great Eastern Holdings and OCBC NISP. Our banking subsidiaries are generally required to implement risk management policies that conform to Group standards or adopt stricter local regulations where applicable. Approving authority and limit structures of our subsidiaries are consistent with the Group to ensure proper ownership and accountability.

Great Eastern Holdings and OCBC NISP are listed companies which publish their own annual reports that contain information on their risk management frameworks and practices. Our management collaborates with Great Eastern Holdings and OCBC NISP on aligning their risk management practices to our risk standards.

### ***Risk Governance and Organization***

The Board of Directors establishes our risk appetite and risk principles. The Board Risk Management Committee (“**BRMC**”) is the designated board committee to ensure that the OCBC Group’s overall risk management philosophy and principles are aligned with the corporate strategy and within the approved risk appetite. It also ensures that the overall risk management organisation is implemented and effective. Based on the approved risk appetite, the BRMC approves various quantitative guidance and qualitative expectations and these are cascaded to major business units and risk functions to guide risk-taking. Risk drivers, risk profiles across major lines of business and risk types, as well as major risk policies and compliance matters are regularly reviewed by the senior management, Group Chief Executive Officer (“**CEO**”) and BRMC. These matters are reviewed and discussed in greater detail at the dedicated risk committees for major risk types.

The BRMC is supported by the Group Risk Management Division (“**GRM**”), headed by the Group Chief Risk Officer who reports to the BRMC and CEO. GRM is an independent risk and control oversight function that principally executes the risk management framework and principles. It provides risk committees, the BRMC and the Board of Directors regular risk reports and updates on material information with regard to risks. Functions in GRM are primarily organised by major risk types. Risk management staff work closely with the business and other support units to ensure that risks are well managed. GRM also oversees the OCBC Group’s data management via a framework that comprises data policies, standards and controls. The objective is to ensure the quality of critical risk data and the ability of the OCBC Group to effectively aggregate such data for accurate and timely risk reporting. In addition, it oversees the New Product Approval Process to ensure that all inherent risks associated with new products and services are comprehensively identified, managed and mitigated.

Senior management actively manage risks through various risk management committees, such as the Credit Risk Management Committee, the Market Risk Management Committee, the Asset Liability Management Committee and the Operational Risk Management Committee. Both risk-taking and risk control units are represented in these committees, emphasizing shared risk management responsibilities.

Credit officers' approval authority limits are set based on their relevant experience and qualifications. GRM officers also provide expertise during the design and approval of new products to ensure existing systems and processes are able to adequately manage any new product risks.

### ***Basel Requirements***

We have implemented MAS Notice 637 on Risk Based Capital Adequacy Requirements for banks incorporated in Singapore.

For credit risk, we have adopted the Foundation Internal Ratings-Based ("**F-IRB**") approach and supervisory slotting criteria to calculate credit risk-weighted assets for major non-retail portfolios, and the Advanced Internal Ratings-Based ("**A-IRB**") approach for major retail and small business lending portfolios.

For market risk, we have adopted the standardized approach. Risk weights for market risk assets are specified according to the instrument category, maturity period, credit quality grade and other factors and applied to the corresponding notional as prescribed under MAS Notice 637. For operational risk, we have adopted the standardized approach except for OCBC NISP and OCBC Wing Hang, which have adopted the basic indicator approach. Operational risk-weighted assets are derived by applying specified factors or percentages to the annual gross income for the prescribed business lines in accordance with regulatory guidelines.

We undergo an internal capital adequacy assessment process ("**ICAAP**") annually to evaluate if we are able to maintain sound capital levels after considering business plans and material risks under both base case and severe stress scenarios. Remedial actions are proposed where necessary to ensure that we remain prudently managed.

Implementing the Basel framework is an integral part of our efforts to refine and strengthen our management of risks. Our management closely follows on-going industry and regulatory developments, including higher liquidity and capital requirements.

### ***Credit Risk Management***

Credit risk arises from the risk of loss of principal or income on the failure of an obligor or counterparty to meet its contractual obligations. As our primary business is commercial banking, we are exposed to credit risks from our lending activities. Trading and investment banking activities, such as the trading of foreign exchange, derivatives, debt securities, commodities, securities underwriting and the settlement of transactions, also expose the OCBC Group to counterparty and issuer credit risks.

#### ***Credit Risk Management Oversight and Organization***

The Credit Risk Management Committee ("**CRMC**") is the senior management group that supports the Chief Executive Officer ("**CEO**") and the BRMC in proactively managing credit risk, including reshaping the credit portfolios. It oversees the execution of our credit risk management, framework and policies, and reviews the credit profile of material portfolios to ensure that credit risk taking is aligned with business strategy and risk appetite. In addition, the CRMC recommends credit approval authority limits and highlights any concentration concerns to higher management.

Credit Risk Management (“**CRM**”) departments manage credit risk within pre-determined risk appetite, customer targets, limits and established risk standards. Dedicated risk functions are responsible for risk portfolio monitoring, risk measurement methodology, risk reporting and remedial loan management.

Regular risk reports are provided to the Board of Directors, the BRMC and the CRMC in a timely, objective and transparent manner. These reports include detailed profiles on portfolio quality, credit migration, expected losses, and concentration of risk exposures by business portfolio and geography. Such reporting alerts the Board of Directors, BRMC and senior management to adverse credit trends early, so that timely corrective actions can be taken.

#### *Credit Risk Management Approach*

Our credit risk management framework captures the complete credit risk management cycle. It is operationalised through policies and procedures covering the identification, assessment, measurement, monitoring and control of credit risk at the enterprise level. We also have a Responsible Financing framework and supporting policies that integrate Environmental, Social and Governance (“**ESG**”) considerations into our credit risk evaluation and approval process. Through the framework, sustainability is integrated across our corporate lending activities from strategic and portfolio to transaction level.

Our credit risk management approach varies according to the characteristics and nature of the portfolios or customer segments.

*Lending to Consumers and Small Businesses.* Credit risks for the consumer and small business sectors are managed on a portfolio basis with credit programs for mortgages, credit cards, unsecured loans, auto loans, commercial property loans and business term loans. Loans that are underwritten under these programs conform to clearly defined target markets, terms of lending and maximum loan advances. Systems and processes such as credit origination source analysis and independent verification of documentation are in place to detect fraud. The portfolios are closely monitored monthly using MIS analytics. Scoring models are also used in the credit decision process for most products to enable objective, consistent decisions and efficient processing. Behavioral scores are used to identify potentially problematic loans early.

*Lending to Corporate and Institutional Customers.* Loans to corporate and institutional customers are individually assessed and approved by experienced credit officers. Credit decisions are made after comprehensive qualitative and quantitative risk assessment. Credit officers identify and assess the credit risks of corporate or institutional customers, including any customer group’s interdependencies and take into consideration management quality, financial and business competitive profiles against industry and economic threats. Collaterals or other credit support are also used to mitigate potential losses. Credit extensions are guided by pre-defined target market and risk acceptance criteria. To ensure objectivity in credit extensions, co-grantor approvals and shared risk ownership are required from both the business unit as well as credit risk functions.

*Lending to Private Banking Customers.* Credit extensions to our wealth management clients in the Bank of Singapore are subject to comprehensive credit assessment, the availability of acceptable collateral and compliance to loan ratios and margin requirements. Joint approvals from the business and risk units also ensure objectivity. Loan advance rates are dependent on the liquidity, volatility and diversification of the collateral portfolio under stressed conditions. Marketable securities taken as collateral are subject to daily valuation and independent price verification controls. Timely and disciplined execution of margin calls, top-up provisions, stop-loss and force-selling are strictly managed in accordance with approved procedures.

*Credit Risk from Investment and Trading Activities.* Counterparty credit risks arising from our trading, derivative, and debt securities activities are actively managed to protect against potential losses in replacing a contract if a counterparty defaults. Counterparty credit limits are established for each counterparty following an assessment of the counterparty's creditworthiness in accordance with internal policies, as well as the suitability and appropriateness of the product offering. Credit exposures are also controlled through independent monitoring and prompt reporting of excesses and breaches against approved limits and risk mitigation thresholds.

#### *Internal Credit Rating Models*

Internal credit rating models are an integral part of our credit risk management, loan decision-making process, and capital assessment. These internal rating models and the parameters – probability of default (“**PD**”), loss given default (“**LGD**”), and exposure at default (“**EAD**”) – are factors used in limit setting and limit utilization and monitoring, credit approval, reporting, remedial management, stress testing and internal assessment of the adequacy of capital and provisions.

Model risk is managed under an internal Model Risk Management framework, including an internal ratings framework, to govern the development and validation of rating models and the application of these models. Approval for material models and annual validation results rests with the BRMC. All models are subject to independent validation before implementation to ensure that all aspects of the model development process have met internal standards. The models are developed with active participation by credit experts from risk taking and risk control units. In addition, the models are also subject to annual review (or more frequently, where necessary) and independent validation to ensure that the models are performing as expected, and that the assumptions used in model development remain appropriate. All rating models are assessed against internal and regulatory requirements, which are also subject to independent review by Group Audit and approval by regulators, to ensure compliance.

Our internal risk grades are not explicitly mapped to external credit agency ratings. Nevertheless, our internal risk grades may correlate to external ratings in terms of the probability of default ranges as factors used to rate obligors would be similar; an obligor rated poorly by an external rating agency is likely to have a weaker internal risk rating.

*A-IRB for Major Retail Portfolios.* We have adopted the A-IRB approach for major retail portfolios, including residential mortgages, credit cards, auto loans, as well as small business lending. Internal rating models, developed from internal data, are used to estimate PD, LGD, and EAD parameters for each of these portfolios. Application and behavior scorecards are used as key inputs for several retail PD models. Product, collateral, and geographical characteristics are major factors used in the LGD and EAD models.

*F-IRB for Major Non-Retail Portfolios.* Our major non-retail portfolios, including income-producing real estate specialized lending, are on the F-IRB approach. Under this approach, internal models are used to estimate the PD for each obligor, while LGD and EAD parameters are prescribed by the MAS. These PD models are statistical based or expert judgment models that use both quantitative and qualitative factors to assess an obligor's repayment capacity and are calibrated to expected long-term average one-year default rate over an economic cycle. Expert judgment models are typically used for portfolios with low defaults following inputs from relevant internal credit experts. The models also comply with the regulatory criteria for parameterization. For other specialized lending portfolios, namely project finance, object finance and commodities finance, risk grades derived from internal models are mapped to the five supervisory slotting categories as prescribed in MAS Notice 637. The risk weights prescribed for these slotting categories are used to determine the regulatory capital requirements for such exposures.



## *Credit Risk Control*

*Credit Risk Mitigation.* Transactions are entered into primarily on the strength of a borrower's creditworthiness and ability to repay. To manage credit risk, we accept collateral and credit protection as credit risk mitigants, subject to our policies on their eligibility. Collateral includes both physical and financial assets and forms a major portion of our credit risk mitigants. The value of collateral is prudently assessed on a regular basis and valuations are performed by independent qualified appraisers. The key considerations for eligible credit risk mitigants include legal certainty and enforceability, correlation, liquidity, marketability, counterparty risk of the protection provider and collateral-specific minimum operational requirements. Eligible physical and financial collateral types include cash, real estate, marketable securities, standby letters of credit and credit insurances. Appropriate discounts are applied to the market value of collateral, reflecting the underlying quality, liquidity, volatility and collateral type. The loan-to-value ratio is a main factor in the secured lending decision. We also accept guarantees from individuals, corporates and institutions as a form of support.

To manage counterparty credit risk, eligible financial collaterals may be taken to partially or fully cover mark-to-market exposures on outstanding positions, with an appropriate discount applied to cover potential adverse market volatility. Collateral arrangements, typically covered under market standard documentation such as International Swaps and Derivatives Agreement ("**ISDA**") include a minimum threshold amount where additional collateral is to be posted by either party if the mark-to-market exposures exceed the agreed threshold. The credit risk associated with contractual obligations is reduced by the netting agreements to the extent that if an event of default occurs, all amounts with the counterparty are settled on a net basis. Agreements may also contain rating triggers where additional collateral posting is required in the event of a rating downgrade. However, given our investment grade rating, there is minimal increase in collateral posting under a one-notch rating downgrade occurrence. We also use CCP to reduce counterparty risk for over-the-counter derivatives.

## *Managing Credit Risk Concentrations*

Credit risk concentrations may arise from lending to single customer groups, borrowers who are in similar activities, or diverse groups of borrowers being affected by similar economic or market conditions. To manage such concentrations, limits are established for single borrowing groups, products, portfolios and countries. These limits are aligned with our business strategy, capacity and expertise. Impact on earnings and capital is also considered during the setting of limits.

We continue to diversify our country exposure as we expand our presence and activities in Greater China and Indonesia. As a key player at home, we have significant exposure to the real estate market in Singapore. Dedicated specialist real estate teams manage this risk with focus on client selection, collateral quality, project viability, and real estate cycle trends. Regular stress tests are also conducted to identify potential vulnerabilities on the real estate portfolio.

## *Remedial Management*

We safeguard our position through proactive and regular monitoring of our credit portfolios. We have a robust process to detect vulnerable borrowers with signs of potential credit deterioration at an early stage via the Early Warning Review Forum.

We constantly assess our portfolio to detect potential problem credits at an early stage. As we value long-term customer relationships, we understand that some customers may be facing temporary financial distress and prefer to work closely with them at the onset of their difficulties. We recognize the opportunity to promote customer loyalty and retention in such instances, even as it enforces strict discipline and places a priority on remedial management to minimize credit loss. Loans are categorized as “Pass” or “Special Mention”, while NPLs are categorized as “Substandard”, “Doubtful” or “Loss” in accordance with MAS Notice 612.

Restructured assets are classified when we have granted concessions or restructured repayment terms to borrowers who are facing difficulties in meeting the original repayment schedules. Such restructured assets are classified in the appropriate non-performing grades based on our assessment of the borrower’s financial condition and ability to repay under the restructured terms. Such credit exposure must comply fully with the restructured terms for a reasonable period before it can be restored to performing status in accordance with MAS Notice 612.

We have dedicated remedial management units manage the restructuring, work-out and recovery of NPA for wholesale portfolios. The objective is to rehabilitate NPA where possible or maximise recoveries for NPA that are on an exit strategy. For retail portfolios, we develop appropriate risk-based and time-based collections strategies to maximise recoveries. We use data such as delinquency buckets and adverse status tags for delinquent consumer loans to constantly analyse, fine-tune and prioritise our collection efforts.

#### *Impairment Allowances for Loans*

##### Policy before January 1, 2018

We maintain impairment allowances that are sufficient to absorb credit losses inherent in our loan portfolios. Total loan impairment allowances comprise specific allowances against NPLs and a portfolio allowance for all performing loans to cover expected losses that are not yet evident.

Specific allowances for credit losses are evaluated either individually or collectively for a portfolio. The amount of specific allowance for an individual credit exposure is determined by ascertaining the difference between the present value of future recoverable cash flows of the impaired loan and the carrying value of the loan. For homogenous unsecured retail loans such as credit card receivables, specific allowances are determined collectively as a portfolio, taking into account historical loss experience of such loans. NPLs are written off against specific allowances when all feasible recovery actions have been exhausted or when the recovery prospects are considered poor.

Portfolio allowances are set aside based on our credit experiences and judgment for estimated inherent losses that may exist but have not been identified for any specific financial asset. Credit experiences are based on historical loss rates that take into account geographic and industry factors.

##### Policy from January 1, 2018

Allowance for ECL is recognised for credit-impaired and non credit-impaired loans in accordance with SFRS(I) 9 and MAS Notice 612 through a forward-looking ECL model. ECL allowances are assessed based on the stages of asset quality.

Under SFRS(I) 9, credit loss allowances are measured on each reporting date according to a three-stage expected credit loss impairment model:

- Stage 1 – On initial recognition, expected credit loss will be that resulting from default events that are possible over the next 12 months.

- Stage 2 – Following a significant increase in credit risk of the loan since its initial recognition, the credit loss allowance will be that resulting from default events that are possible over the expected life of the loan.
- Stage 3 – When a loan exhibits objective evidence of impairment and is considered to be credit-impaired, the credit loss allowance will be the full lifetime expected credit loss.

### ***Market Risk Management***

Market risk is the risk of loss of income or market value due to fluctuations in factors such as interest rates, foreign exchange rates, equity and commodity prices or changes in volatility or correlations of such factors. We are exposed to market risks from our trading, client servicing and balance sheet management activities.

Our market risk management strategy and market risk limits are established within our risk appetite and business strategies, taking into account macroeconomic and market conditions. Market risk limits are subject to regular review.

#### *Market Risk Management Oversight and Organization*

The Market Risk Management Committee (“**MRMC**”) is the senior management group that supports the BRMC and the CEO in managing market risk. The MRMC establishes the market risk management objectives, framework, and policies governing prudent market risk taking, which are backed by risk methodologies, measurement systems, and internal controls.

The MRMC is supported by the Market Risk Management (“**MRM**”) department within GRM. MRM is the independent risk control unit responsible for operationalizing the market risk management framework to support business growth while ensuring adequate risk control and oversight.

#### *Market Risk Management Approach*

Market risk management is a shared responsibility. Our market risk management framework covers the identification, assessment, measurement, monitoring and control of risks. Group-level market risk policies and procedures are established to provide common guidelines and standards for managing market risks. Our market risk management strategy and limits are regularly reviewed and established within the OCBC Group’s risk appetite and business strategies, taking into account prevailing macroeconomic and market conditions.

#### *Market Risk Identification*

Risk identification is addressed via our new product approval process at product inception. Market risks are also identified by our risk managers from their ongoing interactions with the business units.

#### *Market Risk Measurements*

*Value-At-Risk.* Value-at-risk (“**VaR**”), as a key market risk measure for our trading activities, is a component of aggregate market risk appetite. VaR is measured and monitored by its individual market risk components, namely interest rate risk, foreign exchange risk, equity risk and credit spread risk, as well as at the consolidated level. VaR is based on a historical simulation approach and is applied against a one-day holding period at a 99% confidence level. As VaR is a statistical measure based on historical market fluctuations, it is not expected to accurately predict forward-looking market conditions all the time. Under the defined confidence threshold, losses on a single trading day may exceed VaR, on average, once every 100 days.

*Other Risk Measures.* As our main market risk is interest rate fluctuations. Present Value of a Basis Point (“**PV01**”), which measures the change in value of interest rate sensitive exposures resulting from a one basis point increase across the entire yield curve, is an additional measure monitored on a daily basis. Other than VaR and PV01, we also utilize notional amounts, One Basis Point Move in Credit Spreads (“**CS01**”) and derivative greeks for specific exposure types, where appropriate, to supplement our risk measurements.

*Stress Testing and Scenario Analyses.* We also perform stress testing and scenario analyses to better quantify and assess potential losses arising from low probability but plausible extreme market conditions. The stress scenarios are regularly reviewed and fine-tuned to ensure that they remain relevant to our trading activities, risk profile, and prevailing and forecasted economic conditions. These analyses determine if potential losses from such extreme market conditions are within our risk tolerance. Besides the regular stress scenarios, ad hoc event-specific stress scenarios are also used to assess the potential impact of specific market conditions to the OCBC Bank’s market risk exposures.

#### *Risk Monitoring and Control*

*Limits.* Only authorized trading activities for approved products may be undertaken by the various trading units. All trading risk positions are monitored on a daily basis against approved and allocated limits by independent support units. Trading activities are conducted within approved mandates and dynamically hedged to remain within limits. Hedge effectiveness is implicit in ensuring compliance with market risk limits and enforced through independent limit monitoring. Limits are approved to reflect available and anticipated trading opportunities, with clearly defined exception escalation procedures. Exceptions, including any temporary breaches, are promptly reported and escalated to senior management for resolution. Multiple risk limits (VaR and risk sensitivities), profit/loss, and other measures allow for more holistic analysis and management of market risk exposures.

*Model Validation.* Model validation is also an integral part of our risk control process. Risk models are used to price financial instruments and calculate VaR. We ensure that the models used are fit for their intended purpose through internal verification and assessment. Market rates used for risk measurements and valuation are sourced independently, thereby adding further to the integrity of the trading profits and losses (“**P&L**”), risk and limit control measurements.

*Back-testing.* To ensure the continued integrity of the VaR model, we conduct back-testing to confirm the consistency of actual daily trading P&L as well as theoretical P&L against the model’s statistical assumptions.

#### **Asset Liability Management**

Asset liability management is the strategic management of our balance sheet structure and liquidity requirements, covering liquidity sourcing and diversification, as well as interest rate and structural foreign exchange management.

#### *Asset Liability Management Oversight and Organization*

The Asset Liability Management Committee (“**ALCO**”) is the senior management group this is responsible for the management of our balance sheet and liquidity risks. The ALCO is chaired by the CEO and includes senior management from the business, risk and support units. The ALCO is supported by Corporate Treasury within the Group Finance Division. The Asset Liability Management department within GRM monitors our banking book interest rate, structural foreign exchange and liquidity risk profiles under both baseline and stressed scenarios.

## *Asset Liability Management Approach*

The asset liability management framework focuses on managing the exposures arising from the balance sheet. We monitor our liquidity risk, interest rate risk in the banking book and structural foreign exchange risk profiles against approved risk limits under both business-as-usual and stressed scenarios. These are based on the standards established in our framework, policies and procedures which are subject to regular reviews to ensure that they remain relevant in the context of the prevailing market conditions and practices. The framework comprises liquidity risk management, interest rate risk mismatch management and structural foreign exchange risk management.

*Liquidity Risk.* The objective of liquidity risk management is to ensure that there are sufficient funds to meet contractual and regulatory financial obligations and to undertake new transactions.

Our liquidity management process involves establishing liquidity management policies and limits, regular monitoring against liquidity risk limits, regular stress testing and refining contingency funding plans. These processes are subject to regular reviews to ensure that they remain relevant in the context of prevailing market conditions.

Liquidity monitoring is performed daily within a framework for projecting cash flows on a contractual and behavioral basis. Simulations of liquidity exposures under stressed market scenarios are performed, and the results are taken into account in the risk management strategies, policies and positions, as well as to develop contingency funding plans.. Indicators such as liquidity and deposit concentration ratios are used to establish the level of optimal funding mix and asset composition. Funding strategies are established to provide effective diversification and stability in funding sources across tenors, products and geographies. In addition, we maintain liquid assets in excess of regulatory requirements to strengthen our ability to meet liquidity needs during a crisis. These liquid assets comprise statutory reserve eligible securities as well as marketable shares and debt securities.

*Interest Rate Risk.* The primary goal of interest rate risk management is to ensure that interest rate risk exposures are maintained within defined risk tolerances and are consistent with the risk appetite parameters.

Interest rate risk is the risk to earnings and capital arising from exposure to adverse movements in interest rates. The material sources of interest rate risk are re-pricing risk, yield curve risk, basis risk and optionality risk. A range of techniques are employed to measure these risks from an earnings and economic value perspective. One method involves the simulation of the impact of a variety of interest rate scenarios on the net interest income and the economic value of our equity. Other measures include interest rate sensitivity measures such as PV01 as well as re-pricing gap profile analysis. Behavioural models are used to assess interest rate risks in relation to loan prepayment, time deposit early redemption and the profile of non-maturity deposits.

Limits and policies to manage interest rate exposures are established in line with our strategy and risk appetite. Thresholds and policies are appropriately approved and reviewed regularly to ensure they remain relevant against the external environment. Control systems are in place to monitor the risk profile against the approved risk thresholds.

*Structural Foreign Exchange Risk.* Structural foreign exchange exposure arises primarily from net investment in overseas branches, subsidiaries, strategic investments as well as property assets. The objective is to protect capital through identifying, measuring and managing the potential adverse impact of structural foreign exchange risk on capital deployed. We actively manage this risk through hedges and matched funding for foreign currency investments.

*Other Risks.* Non-structural foreign exchange exposures in the banking book are largely transferred to trading book for foreign exchange risk management. High quality liquid assets (“**HQLA**”) held in the banking book to comply with LCR expose us to credit spread risk. While HQLA are of low default risk, their value could be sensitive to changes in credit spread. This risk is monitored against approved CS01 limits on a daily basis and subject to historical and anticipatory stress tests. The other risk residing in the banking book is non-strategic equity price risk arising from our investment in equity securities. These non-strategic equity forms an insignificant portion of our overall securities portfolio, excluding Great Eastern Holdings.

### ***Operational Risk Management***

Operational risk is inherent in all banking products, activities, processes and systems. Effective management of operational risk is a fundamental element of our risk management programme that enhances our corporate culture. It is the risk of loss resulting from inadequate or failed internal processes, people, systems and management, or from external events. Operational risk management also covers fiduciary, legal and reputational risks.

Our operational risk management aims to manage both expected and unexpected losses, including those caused by catastrophic events. The twin goals enable new business opportunities to be pursued in a risk-conscious and controlled manner.

#### *Operational Risk Management Oversight and Organization*

The Operational Risk Management Committee (“**ORC**”) is the senior management group that oversees the execution of our operational risk management, information security and technology risk practices. ORC ensures that various risk management programs that are in place are appropriate, effective, and support our business strategy.

The Operational Risk Management (“**ORM**”) department within GRM establishes the ORM framework, including supporting policies and techniques. The ORM department also independently oversees operational risk monitoring and control that reside within business, products and process owners. The ORM programs are actively implemented through the respective Operational Risk Partners or managers in the business units and subsidiaries. Operational Risk Partners or managers are certified by an industry recognized accreditation program to raise competency levels in managing operational risk.

#### *Operational Risk Management Approach*

We adopt a framework that ensures operational risks are properly identified, managed, monitored, mitigated and reported in a structured and consistent manner. It enables us to fulfil our fiduciary duties, comply with legal and regulatory requirements, mitigate other risk factors and manage any reputational risk impact. We aim to manage both expected and unexpected losses, including those caused by catastrophic events. These twin objectives act as parameters to manage our risk as we pursue new business opportunities. The framework is underpinned by an internal control system that reinforces our control culture by establishing clear roles and responsibilities for staff and preserving their rights in executing their control functions without fear of intimidation or reprisal. Each business unit undertakes self-assessment on a regular basis on the robustness of its own risk and control environment including meeting all regulatory and legal requirements. Self-assessment declarations are subject to risk-based independent reviews. Performance metrics are also used to detect early warning signals and to drive appropriate management actions before risks become material losses. To enhance controls over trading activities and data loss prevention, a Control Assurance Function has been established to perform end-to-end surveillance over these areas. Operational risk data is also analysed and reported regularly to senior management.

Senior management attest annually to the CEO, Audit Committee and BRMC, on the adequacy and effectiveness of the internal control system, as well as report key control deficiencies and accompanying remedial plans.

To mitigate operational losses resulting from significant risk events, we have in place an insurance programmes that covers crime, cyber risks, professional indemnity, directors' and officers' liability, property damage and public liability.

*Anti-Money Laundering (AML)/Countering the Financing of Terrorism (CFT) and Sanctions Risks.* We recognize the risks associated money laundering and terrorism. Through a robust groupwide AML/CFT and sanctions framework and programme that are aligned with MAS AML/CFT and sanctions regulations, as well as with international organisations, such as the Financial Action Task Force (FATF), Basel Committee and Wolfsberg Group. There is a dedicated AML/CFT committee which comprises of senior management to oversee the AML/CFT related matters. There are also risk assessment methodologies leveraging our existing monitoring and screening platform, data analytics to assess customer, product and geographical risks, as well as risk surveillance platform to monitor emerging financial crime trends and typologies.

*Physical and People Security Risk Management.* We recognize that as it expands its regional footprint, its personnel and assets may be exposed to more external threats. To address this ever-changing threat landscape, we have in place a physical and people security program which comprises of active monitoring of external events that may pose a threat to our locations, people and assets and the provision of advisories and response procedures to better prepare us and our employees to handle risk events, including risks posed to staff on business travel.

*Business Continuity Risk Management.* The business continuity risk management program aims to reduce the interruption of essential business activities and services during times of crisis. Review and testing of our business recovery strategies and plans are carried out on an annual basis. Senior management also provides annual attestation to the BRMC. The attestation includes a measurement of the program's maturity, extent of alignment to MAS guidelines and a declaration of acceptable residual risk. We also enhanced our ability to respond to external calamities and crises such as the Middle East respiratory syndrome coronavirus (MERS-CoV) outbreak and terrorism-related incidents.

*Fraud Risk Management.* Our Fraud Risk Management and Whistle-Blowing programs help prevent and detect fraud or misconduct. Fraud incident reports, including root cause analysis, extent of damage, supporting remedial actions and recovery steps of major incidents, are regularly reported to ORC and BRMC. Group Audit independently reviews all fraud and whistle-blowing cases, and reports their findings to the Audit Committee. We have added a new internet-based channel for whistle-blowing which provides staff and external parties with a neutral platform to raise instances of ethical concern or wrongful behavior.

*Reputational Risk Management.* Reputational risk is the current or prospective risk to earnings and capital arising from adverse perception of our image by customers, counterparties, shareholders, investors and regulators. We have a reputational risk management program which focuses on understanding and managing our responsibilities towards our different stakeholders, and protecting our reputation. This includes the identification, assessment, monitoring and mitigation of reputational risk exposures, as well as effective information sharing and engagement with our stakeholders.

*Fiduciary Risk Management.* We have a fiduciary risk management program to manage risks associated with fiduciary relationships from managing funds or providing other agency services. The program provides guidelines on regular identification, assessment, mitigation and monitoring of fiduciary risk exposures, to ensure our compliance with applicable corporate standards.

*Regulatory and Legal Risks.* Each business unit is responsible for the adequacy and effectiveness of controls in managing both regulatory and legal risks. This is done through a legal and regulatory compliance risk management framework which defines the required environment and organisational components to ensure compliance with relevant laws, regulations, rules and standards. The framework is complemented by stringent and robust compliance policies, procedures and guidelines based on international best practices which are adapted to our requirements, and regular training to staff. Senior management provides the state of regulatory compliance via an annual Regulatory Compliance Certification to the CEO and BRMC.

*Technology, Information and Cyber Risks.* We protect and ensure the confidentiality, integrity and availability of our information assets through implementing appropriate security controls and back-up systems to guard against the misuse or compromise of information assets. Technology and information security risk management is an integral part of the ORM framework. This holistic approach provides the assurance that technology and information security risks are properly identified, managed, monitored, mitigated and reported in a structured and consistent manner. Senior management attests annually to the CEO and BRMC, on the adequacy and effectiveness of business and technology controls, including any key control deficiencies and remedial plans. With the rise in non-traditional cyber threats, we have remained an active participant in cyber security initiatives within the banking sector. As a participant of the ABS Standing Committee on cyber security, we collaborate with industry participants and key government agencies to formulate cyber security management programs, and shares intelligence and counter-measures against new forms of cyber-attack.

## **Competition**

We compete principally with the local commercial banks and foreign banks in each of our key markets. In Singapore, our competition is principally from DBS Bank Ltd. and United Overseas Bank Limited. We also face competition from a number of additional institutions, including foreign qualifying full banks, wholesale banks and offshore banks, as well as various other types of financial service institutions. As a result of the Singapore government's liberalization of the Singapore banking industry, the number of foreign institutions with foreign full banking licenses and wholesale banking licenses in Singapore has increased over the past ten years.

## **Employees**

As of June 30, 2020, the OCBC Group had more than 30,000 employees.

We believe that people are our main assets and that their talents and abilities – individually and collectively – can be leveraged to give us a competitive advantage. Our employees share ownership schemes continue to receive high participation levels. We aim to provide every person with equal opportunities to develop careers within the Group through continuous learning and training in both core competencies and technical skills.

We are party to the two collective agreements for our unionized colleagues, the OCBC Bank Group Officers' Agreement and the OCBC Bank Group Employees' Agreement. These agreements are generally reviewed once every three years and established through industry-wide negotiations with the unions. We believe we have good relations with our employees.

## **Employees' Remuneration**

The objective of our remuneration policy is to attract, motivate, reward and retain quality staff. Our Board of Directors ensures that the remuneration policies are in line with our strategic objectives and corporate values and do not give rise to conflicts between our objectives and the interests of individual Directors and key executives.



The total compensation package for employees comprises basic salary, fixed bonus, variable performance bonus, allowances, deferred share awards and share options for eligible executives, as well as benefits. Compensation is tied to the achievement of business and performance objectives. Where relevant, financial measurements, adjusted for the various types of risk, include, if appropriate:

- (a) Operating efficiency measures which include income, direct and allocated costs and operating profits, net profits as well as efficiency indicators such as unit cost.
- (b) Economic efficiency measures such as cost of capital. Capital is attributed to each business based on the amount of risk-weighted assets and return on capital.
- (c) Liquidity risk which is factored into the performance measurement of each business through the application of liquidity premiums charged or credited according to the behavioral maturity of each type of asset and liability booked.

Each business unit (including risk and compliance functions) has its own performance measures that match their functions and objectives. In the determination of remuneration of senior executives, we take into account risk and control indicators.

In determining the composition of the compensation package, we take into account the time horizon of risk and include in the total compensation for executives a significant portion of deferred payment in the form of deferred shares.

To ensure that our remuneration package is competitive, we regularly review our base salary ranges and benefits package based on market data provided by recognized surveys of comparative groups in the financial sector. For executives, we adopt a performance-driven approach to compensation. The compensation package is linked to personal performance, the performance of the job function as a whole and our overall performance. Executives' compensation is reviewed each year based on information from market surveys and advice from reputable management consultants. The compensation for senior executives is reviewed by the Remuneration Committee. As a consequence of the financial crisis, financial institutions globally have been reviewing compensation practices to reduce incentives that encourage excessive risk taking. In 2009, the Financial Stability Forum ("**FSF**") developed principles and implementation standards for Sound Compensation Practices for significant financial institutions. Our compensation practices largely meet the FSF principles and implementation standards, and are reviewed regularly to ensure that they continue to meet the FSF principles and implementation standards, if and when there are changes.

The remuneration practices for staff in bargainable positions are established through negotiation with our unions.

## **Properties**

We conduct our property management activities through our wholly-owned subsidiary, OCBC Property Services Private Limited ("**OPS**"). OPS' core business includes managing our property portfolio to optimize rental income, yields and capital values, supporting our operations through cost-effective spatial planning and professional property management of own-occupied premises, and managing our divestment program for identified properties.

The following table sets forth details of our major properties as of June 30, 2020.

Properties	Purpose	Effective Stake	Gross floor area
		%	Sq. ft.
<b>Singapore:</b>			
65 Chulia Street, OCBC Centre . . . . .	Office	100	993,089
63 Chulia Street, OCBC Centre East . . . . .	Office	100	242,385
18 Church Street, OCBC Centre South . . . . .	Office	100	118,909
63 Market Street, Bank of Singapore Centre . . .	Office	100	248,996
11 Tampines Central 1 . . . . .	Office	100	115,824
31 Tampines Avenue 4 . . . . .	Office	100	97,572
260 Tanjong Pagar Road . . . . .	Office	100	44,940
70 Loyang Drive . . . . .	Office	100	134,287
Block 9 & 13 Tanjong Rhu Road, The Waterside . . . . .	Residential	100	251,889
2 Mt Elizabeth Link . . . . .	Residential	100	104,377
6, 6A to 6H, 6J to 6N, 6P to 6U Chancery Hill Road, The Compass at Chancery . . . . .	Residential	100	54,739
277 Orchard Road, Orchardgateway . . . . .	Retail and hotel	100	535,698
<b>Malaysia:</b>			
18 Jalan Tun Perak, Kuala Lumpur, Menara OCBC . . . . .	Office	100	243,262
<b>Indonesia:</b>			
JI Dr. Satrio, Casablanca, Jakarta, Bank NISP Tower . . . . .	Office	85	362,313
<b>Greater China:</b>			
1155 Yuanshen Road, Pudong, Shanghai . . . . .	Office	100	249,161
161-169 Queen's Road Central, Hong Kong SAR . . . . .	Office	100	95,169

#### **Legal and Regulatory Proceedings**

From time to time, we may be involved in legal and regulatory proceedings concerning matters that arise in our day-to-day business operations. However, we are not involved in, and are not aware of, any legal or regulatory proceedings the outcome of which would have a material adverse effect on our business, financial condition, results of operations or prospects.

## **DESCRIPTION OF OCBC BANK'S SYDNEY BRANCH**

OCBC Bank was granted the authority to carry on a banking business in Australia on January 29, 1996 under the Australian Banking Act by APRA. OCBC Bank, Sydney Branch was registered in Australia as a foreign company (overseas) on May 22, 1996 (with Australian Registered Body Number 073598035) under the Australian Corporations Act, with its registered office in Australia at Level 2, 75 Castlereagh Street, Sydney, New South Wales, 2000, Australia. It obtained an Australian financial services license under the Australian Corporations Act on January 16, 2004 (License number 237585). This license authorizes it to carry on a financial services business in Australia to provide financial product advice for certain classes of financial products and to deal in financial products in certain circumstances to retail and wholesale clients.

## CAPITALIZATION

The following table sets out our capitalization and indebtedness as of June 30, 2020. The information has been extracted from our unaudited interim consolidated financial statements as of and for the six months ended June 30, 2020. The financial effects of transactions subsequent to June 30, 2020 are not taken into account.

Other than as described below in “Management’s Discussion and Analysis of Financial Condition and Results of Operations”, there has been no material change in the OCBC Group’s capitalization and indebtedness since June 30, 2020.

	<b>As of</b> <b>June 30, 2020</b>
	<b>S\$</b> <i>(in millions)</i>
<b>Short-term liabilities</b> <sup>(1)(2)</sup>	
Deposits of non-bank customers .....	309,731
Deposits and balances of banks .....	12,460
Trading portfolio liabilities .....	425
Debt issued .....	15,250
Other liabilities .....	25,554
<b>Total short-term liabilities</b> .....	<b>363,420</b>
<b>Long-term liabilities</b> <sup>(2)</sup>	
Subordinated term notes .....	1,523
Covered bonds .....	3,596
Other notes <sup>(3)</sup> (unsecured) .....	3,227
<b>Total long-term liabilities</b> .....	<b>8,346</b>
<b>Equity</b>	
Share capital .....	17,296
Other equity instruments .....	1,497
Total reserves .....	29,091
<b>Attributable to OCBC’s equity holders</b> .....	<b>47,884</b>
Non-controlling interests .....	1,458
<b>Total equity</b> .....	<b>49,342</b>
<b>Total capitalization</b> <sup>(4)</sup> .....	<b>421,108</b>

**Notes:**

- (1) Short-term indebtedness includes all deposits of bank and non-bank customers and other liabilities.
- (2) Short-term and long-term indebtedness exclude life insurance fund liabilities. Long-term indebtedness includes debt issued with remaining term to contractual maturity exceeding one year.
- (3) Includes structured notes and fixed and floating rate notes.
- (4) Total capitalization comprises short-term liabilities, long-term liabilities and total equity.

## MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

The following discussion and analysis is based upon information contained in: (i) our audited consolidated financial statements as of and for the years ended December 31, 2017, 2018 and 2019 which are incorporated by reference into this Offering Memorandum; and (ii) our unaudited interim consolidated financial statements as of and for the six months ended June 30, 2020 and the related notes thereto, which include comparative financial statements as of and for the six months ended June 30, 2019 and which are set forth beginning on page F-2 of this Offering Memorandum. You should read the following discussion and analysis in conjunction with our financial statements, including the notes thereto. This discussion contains forward-looking statements that reflect our current views with respect to future events and financial performance. Our actual results may differ materially from those anticipated in these forward-looking statements as a result of factors such as those set forth under "Risk Factors" and elsewhere in this Offering Memorandum. Our financial statements have been prepared in accordance with SFRS(I) which differs in certain material respects from U.S. GAAP. Investors should consult their own professional advisors for an understanding of the differences between SFRS(I) and U.S. GAAP, IFRS and the generally accepted accounting principles of other jurisdictions and how those differences might affect the financial information contained in this Offering Memorandum.

### Overview

We are the longest established Singapore bank, formed in 1932 from the merger of three local banks, the oldest of which was founded in 1912. As of June 30, 2020, we were the second largest financial services group in Southeast Asia and the second largest banking group in Singapore by total assets, and is now one of the world's most highly-rated banks, with an Aa1 rating from Moody's. Recognised for our financial strength and stability, we have been consistently ranked among the World's Top 50 Safest Banks by Global Finance and has been named Best Managed Bank in Singapore by the Asian Banker. We are listed on the SGX-ST, and are one of the largest listed companies in Singapore by market capitalization.

We offer a broad array of commercial banking, specialist financial and wealth management services, ranging from consumer, corporate, investment, private and transaction banking to treasury, insurance, asset management and stockbroking services.

We have operations in 19 countries and regions including Singapore, Malaysia, Indonesia, Mainland China, Hong Kong SAR, Macau SAR, Taiwan, Thailand, Vietnam, Brunei, Myanmar, South Korea, Japan, Australia, the United Kingdom, Luxembourg, Dubai and the United States. Our key markets are Singapore, Malaysia, Indonesia and Greater China. As of June 30, 2020, we had a global network of more than 500 branches and representative offices, including close to 50 OCBC Bank branches in Singapore, more than 40 branches in Malaysia (including the Labuan branch), more than 250 branches and offices in Indonesia under OCBC NISP, and over 80 branches and offices in Mainland China, Hong Kong SAR and Macau SAR under OCBC Wing Hang. In Malaysia, where we have been operating for more than 80 years, our wholly-owned banking subsidiary, OCBC Malaysia, is among the leading foreign banks by assets, loans and deposits in the country. In 2004, we increased our presence in Indonesia with the acquisition of a stake in the former Bank NISP, and as of June 30, 2020 we owned an 85.1% stake in the renamed OCBC NISP. In May 2019, Great Eastern acquired 95% stake in PT QBE General Insurance Indonesia, as part of its broader business strategy to further build its general insurance operations into a significant business pillar and to deepen its footprint in Indonesia. In China, where we have maintained a continuous presence since 1925, we established our wholly-owned locally incorporated subsidiary, OCBC China, in 2007. Our Greater China presence was further entrenched when we first acquired a majority stake in Wing Hang Bank in July 2014, before rebranding it as OCBC Wing Hang in Hong Kong SAR and Macau SAR and assuming full ownership in October 2014. It was subsequently delisted from the Hong Kong Stock Exchange in

October 2014. OCBC Wing Hang added a network of 95 branches and offices spanning across Mainland China, Hong Kong SAR and Macau SAR to our Greater China franchise. OCBC Wing Hang's subsidiary in China, Wing Hang Bank (China) Limited, was officially merged with OCBC Bank (China) Limited in July 2016, with the resulting entity becoming OCBC Wing Hang Bank (China) Limited. With this merger, OCBC Bank has also complied with China's single presence policy for foreign banks. OCBC Wing Hang now has more than 80 branches and offices in Mainland China, Hong Kong SAR and Macau SAR as of June 30, 2020. In addition, we have deepened our strategic partnership with Bank of Ningbo, by increasing our equity stake from 15.3% to 20.0%, which made it an associated company of OCBC Bank in 2014.

Our other financial services businesses, such as insurance, private banking, asset management and stockbroking, are conducted mainly through our subsidiaries. Our 87.9%-owned insurance subsidiary, Great Eastern Holdings, which is listed on the SGX-ST, is the oldest and most established life insurance group in Singapore and Malaysia and is a significant contributor to our profit, accounting for 22.4% of our profit before income tax for the six months ended June 30, 2020 and 18.4% of our profit before income tax in the financial year ended December 31, 2019. In January 2010, we completed the acquisition of ING Asia Private Bank, which we combined with our private banking operations and rebranded the merged business as Bank of Singapore. Bank of Singapore had S\$157 billion (U.S.\$113 billion) in assets under management as of June 30, 2020 and our intention is to grow its private banking business to be a major part of our income. We completed the acquisition of the wealth and investment management business of Barclays Bank PLC in Singapore and Hong Kong SAR in November 2016, and the acquisition of National Australia Bank's Private Wealth Business in Singapore and Hong Kong SAR in November 2017. In 2017, we also grew our wealth management footprint in Indonesia with the launch of onshore private banking services, while Bank of Singapore opened a new branch in the Dubai International Financial Centre to serve customers in the Middle East. In April 2019, Bank of Singapore officially established its wealth management subsidiary, BOS Wealth Management Europe, in Luxembourg (and branch office in London) that further positions us to capture opportunities in Europe. Bank of Singapore is positioned as an Asia-based global private bank and, we believe, is the only dedicated private bank headquartered in Singapore. Our asset management subsidiary, Lion Global, which is 70%-owned by Great Eastern Holdings and 30%-owned by Orient Holdings Private Limited, a wholly-owned subsidiary of OCBC Bank, is one of the largest asset managers in Southeast Asia as of June 30, 2020. As of June 30, 2020, Lion Global had assets under management of S\$61 billion (U.S.\$43.8 billion). We are also a strong distributor of wealth management products, including bancassurance products and unit trusts, through our consumer banking channels in Singapore, Malaysia and Indonesia. We have built up our treasury and stock brokerage capabilities over the years to support our wealth management business. As such, we consider wealth management to be a key part of our overall business and growth strategy.

As of June 30, 2020, we had S\$510,002 million (U.S.\$365,436 million) in total assets, including S\$264,391 million (U.S.\$189,446 million) in loans to customers, S\$36,158 million (U.S.\$25,909 million) in placements with and loans to banks, S\$64,328 million (U.S.\$46,094 million) in government, debt and equity securities, S\$19,698 million (U.S.\$14,114 million) in cash balances and placements with central banks, and S\$90,738 million (U.S.\$65,017 million) in life insurance fund investment assets. As of June 30, 2020, we had S\$309,731 million (U.S.\$221,934 million) in non-bank customer deposits, S\$12,460 million (U.S.\$8,928 million) in deposits and balances of banks, S\$49,342 million (U.S.\$35,356 million) in total shareholders' equity (including non-controlling interests), S\$23,596 million (U.S.\$16,907 million) in debt issued, and S\$88,894 million (U.S.\$63,696 million) in life insurance fund liabilities, respectively.

For the six months ended June 30, 2020 and in the financial year ended December 31, 2019, we reported profit attributable to equity holders of S\$1,428 million (U.S.\$1,023 million) and S\$4,869 million (U.S.\$3,615 million), respectively. By geography and as a percentage of our profit before income tax, for the six months ended June 30, 2020 and in the financial year ended December 31, 2019, Singapore operations accounted for 15.2% and 55.5%, respectively, Malaysia operations

accounted for 26.0% and 14.3%, respectively, Indonesia operations accounted for 9.4% and 4.7%, respectively, and Greater China operations accounted for 41.4% and 19.9%, respectively. By business segment and as a percentage of our operating profit after allowances and amortization, for the six months ended June 30, 2020 and in the financial year ended December 31, 2019, Global Wholesale Banking contributed 2.1% and 30.9%, respectively, Global Consumer/Private Banking contributed 42.0% and 27.5%, respectively, Global Treasury and Markets contributed 26.3% and 11.3%, respectively, Insurance contributed 27.4% and 20.4%, respectively, OCBC Wing Hang contributed 19.7% and 8.1% respectively, with -17.5% and 1.8% from Others which comprise mainly property holding, investment holding and items not attributable to the other five business segments, respectively. As a percentage of our total income for the six months ended June 30, 2020 and in the financial year ended December 31, 2019, net interest income accounted for 60.8% and 58.2%, and non-interest income 39.2% and 41.8%, respectively.

## **Factors Affecting Our Financial Condition and Results of Operations**

Our financial condition and results of operations are affected by numerous factors. The following factors are of particular importance.

### ***Operating Environment***

Our performance is dependent to a large extent on the general economic developments in our key markets of Singapore, Malaysia, Indonesia and Greater China, which affect our ability to grow our loans, fee-based businesses and other non-interest income activities. The overall operating environment also affects the quality of our loan and investment portfolios, and hence the amount of allowances we set aside. In addition, our expenses are dependent on our growth and expansion plans in the region, and impacted by cost and wage pressures in the markets in which we operate.

In 2017, global economic and financial conditions turned out better than expected amid various uncertainties arising from the threats of protectionism, the possibility of slower growth in the major economies, the uncertain pace of monetary tightening in the United States and heightened geopolitical tensions in Asia. GDP growth surprised on the upside for most Asian countries, including our key regional markets in Greater China, Malaysia and Indonesia. According to the Singapore Department of Statistics, Singapore's real GDP growth was 4.3% in 2017 compared with 3.2% in 2016, mainly as a result of strong growth in the manufacturing sector. According to the MAS, domestic banking loan growth in Singapore was 5.6% in the year ended December 31, 2017, up from 2.9% in the year ended December 31, 2016. Our profit attributable to equity holders increased to S\$4,045 million in 2017 from S\$3,473 million in 2016.

In 2018, the global economy was weighed down by the escalating trade dispute between the United States and China, the moderation of growth in the major economies, the uncertainties of Brexit and the political jitters in Europe. These developments, together with tighter monetary conditions as the U.S. Federal Reserve raised interest rates, undermined consumer confidence and negatively impacted business activity which led to a slowdown of international trade, cross-border real investments and capital flows during the year. According to the Singapore Department of Statistics, Singapore's real GDP growth was 3.4% in 2018 compared with 4.3% in 2017, mainly as a result of a slowdown in manufacturing and continued weakness in construction. According to the MAS, domestic banking loan growth in Singapore was 3.0% in the year ended December 31, 2018, down from 5.6% in the year ended December 31, 2017. Our profit attributable to equity holders increased to S\$4,492 million in 2018 from S\$4,045 million in 2017.

In 2019, the global economic growth slowed as it continued to be weighed down by the escalating trade conflict between the United States and China, disputes between the United States and its trading partners in Europe, the uncertain outcome of Britain's exit from the European Union, as well as the social unrest in Hong Kong SAR and instability in the Middle East. According to the Singapore Department of Statistics, Singapore's real GDP growth was 0.7% in 2019 compared

with 3.4% in 2018, as Singapore's export-oriented economy was impacted by the trade war between the United States and China as well as the cyclical downturn in the electronics sector. According to the MAS, domestic banking loan growth in Singapore was 3.1% in the year ended December 31, 2019, up from 3.0% in the year ended December 31, 2018. Our profit attributable to equity holders increased to S\$4,869 million (U.S.\$3,615 million) in 2019 from S\$4,492 million in 2018.

For the six months ended June 30, 2020, the global economy has been impacted by the widespread COVID-19 pandemic. There was severe contraction in the global economy, significant financial market volatility and aggressive policy support measures, including sizeable cuts in global interest rates and sharp increases in fiscal spending to drive growth and demand. The outlook for 2020 is clouded by the severe disruptions in the global supply chain and sharp fall-off in demand across many industries, leading to sharp deterioration in the growth outlook of major economies. According to the Singapore Department of Statistics, Singapore's GDP growth forecast for 2020 has been narrowed in August 2020, to negative 7.0% to negative 5.0%. According to the MAS, domestic banking loan growth in Singapore declined 1.7% for the six months ended June 30, 2020, mainly from weaker business and consumer loan growth. Our profit attributable to equity holders declined to S\$1,428 million (U.S.\$1,023 million) for the six months ended June 30, 2020 from S\$2,454 million for the six months ended June 30, 2019.

### ***Interest, Deposit and Lending Rate Changes***

Our operating results are driven significantly by our net interest income, which accounted for 60.8% of our total income for the six months ended June 30, 2020, for 59.0% of our total income for the six months ended June 30, 2019, 58.2% of our total income in 2019, 60.7% of our total income in 2018 and 56.9% of our total income in 2017. Net interest income is principally affected by yields on our interest earning assets, costs of interest bearing liabilities and volumes of our interest earning assets and interest-bearing liabilities. Our yields and costs are functions of our lending and deposit rates, interbank rates, yields on government and other debt securities, and costs of term debts and other borrowings, which are generally linked to the interest rate environment. In addition, lending and deposit rates are significantly influenced by competition in the markets in which we operate.

Our loans are generally priced either on a fixed rate or floating rate basis. Loans priced at a floating rate refer to those priced at reference lending rates plus or minus a spread, depending on the type of loans and the profile and preference of the borrower. Reference lending rates may be benchmarked with external reference rates, e.g., SOR or SIBOR or SORA, or our own established reference rate, e.g., cost of funds, board rate and prime rate.

### ***Allowances and Asset Quality***

Our financial condition and results of operations have been and will continue to be affected by our allowances for loans, debt securities and contingent liabilities. Allowances comprise allowances for non-impaired loans, allowances for impaired loans, and allowances and impairment charges for other assets.

Non-performing assets comprise non-performing classified loans, debt securities and contingent liabilities. Our total non-performing assets were S\$4,351 million (U.S.\$3,118 million) as of June 30, 2020, S\$3,883 million (U.S.\$2,883 million) as of December 31, 2019, S\$3,938 million as of December 31, 2018 and S\$3,468 million as of December 31, 2017. The overall increase in non-performing assets since 2017 was led by the downgrade of corporate accounts in the offshore support services and vessels sector in the oil and gas industry, which remained under prolonged stress due to depressed charter rates and vessel values, which was further aggravated by slowdown in business activities and significantly reduced oil demand amid the COVID-19 pandemic.



Our NPL ratio, defined as the ratio of non-performing loans to gross non-bank loans, was 1.6% as of June 30, 2020, 1.5% as of December 31, 2019, 1.5% as of December 31, 2018 and 1.5% as of December 31, 2017. Our quarterly NPL ratio peaked in June 2009 at 2.1%, and has remained below that level since then, with NPLs accounting for 1.6, 1.5%, 1.5% and 1.5% as of June 30, 2020 and December 31, 2019, 2018 and 2017, respectively. Approximately 0.8% to 0.9% of the NPL ratio during these periods were related to the oil and gas industry. Excluding non-performing loans related to the oil and gas industry, our NPL ratio was relatively stable between 0.5% to 0.8% during these periods.

Our allowance coverage ratio, defined as the ratio of total cumulative allowances to total non-performing assets, stood at 100.8%, 85.5%, 70.3% and 76.9% as of June 30, 2020 and December 31, 2019, 2018 and 2017, respectively. Our allowances were sufficient to meet existing regulatory obligations. See “Business – NPL Management” for further details of our non-performing assets allowances, and allowance coverage ratio.

### **Liquidity**

Adverse market and economic conditions in the regional and global economy may limit or adversely affect our access to funding required to operate our business. Adverse conditions may also limit or negatively affect our ability to replace maturing liabilities in a timely manner, and access additional capital necessary to grow our business.

Non-bank customer deposits contributed 73.6%, 74.4%, 75.2% and 74.4% of our funding requirements (total equity and total liabilities excluding life insurance fund liabilities) as of June 30, 2020 and December 31, 2019, 2018 and 2017, respectively. Substantially most of these deposits are denominated in Singapore dollars, U.S. dollars, Malaysian Ringgit and Hong Kong dollars.

Our sources of funding from banks include domestic and foreign interbank markets, and our money market lines with domestic and foreign banks. Deposits and balances of banks contributed 3.0%, 2.0%, 1.9% and 2.0% of our funding requirements (total equity and total liabilities excluding life insurance fund liabilities) as of June 30, 2020 and December 31, 2019, 2018 and 2017, respectively.

As of June 30, 2020, we had total customer deposits and balances of banks of S\$322,191 million (U.S.\$230,862 million), representing 76.5% of our funding requirements (total equity and total liabilities excluding life insurance fund liabilities). Our other sources of funding include debt issued, which comprise subordinated debt, fixed and floating notes, covered bonds, commercial paper and structured notes, in a variety of currencies, including the Singapore dollar, the U.S. dollar and the Euro. Debt issued accounted for 5.6%, 7.2%, 7.7% and 8.5% of our funding requirements (total equity and total liabilities excluding life insurance fund liabilities) as of June 30, 2020 and December 31, 2019, 2018 and 2017, respectively.

We depend on our ability to continue to attract deposits and to refinance our debt at commercially acceptable rates, and we continue to finance a portion of our operations with short-term funds. We believe our deposits provide a stable base of funding and we maintained a loans-to-deposits (net loans to non-bank customers to non-bank customer deposits) ratio of 85.4%, 86.5%, 86.4% and 82.5%, as of June 30, 2020 and December 31, 2019, 2018 and 2017, respectively.

A significant portion of our loan assets are denominated in foreign currencies, in particular U.S. dollars, which creates a potential for funding mismatches. We have entered into, and intend to continue to enter into, cross currency swaps, and issue debt securities in foreign currencies to minimize the risk of funding mismatches.

## ***Regulatory Environment***

We expect that our financial condition and operating results will be principally affected by regulatory trends in the banking industry.

Following its review of international financial regulations, on December 16, 2010, the Basel Committee published the Basel III rules text, which presents the details of global regulatory standards on bank capital adequacy and liquidity, aimed at strengthening the resilience of the banking sector.

On January 13, 2011, the Basel Committee also published requirements for all non-common equity Tier 1 and Tier 2 capital instruments issued on or after January 1, 2013 to be loss absorbing at the point of non-viability.

The MAS has imposed capital adequacy requirements on banks incorporated in Singapore that are higher than the Basel Committee's requirements on the basis that each of the banks incorporated in Singapore is systemically important and has a substantial retail presence in Singapore. D-SIBs incorporated in Singapore have been required to meet at all times a minimum CET1 CAR, Tier 1 CAR, and Total CAR of 6.5%, 8.0% and 10.0%, respectively. In addition to complying with the minimum CAR requirements, in line with the Basel Committee's requirements, we are required to have a capital conservation buffer of 2.5% at CET1 level, and a countercyclical buffer comprising CET1 capital of up to 2.5%.

For a more detailed description of regulations to which we are subject, see "Supervision and Regulation".

## ***Insurance Operations***

Our insurance business is carried out by our 87.9%-owned subsidiary Great Eastern Holdings, which is listed on the SGX-ST. Great Eastern Holdings contributes a significant portion to our profits. It accounted for 22.4%, 18.9%, 18.4%, 14.6% and 22.4% of our profit before income tax for the six months ended June 30, 2020 and 2019 and in the financial years ended December 31, 2019, 2018 and 2017, respectively. It accounted for 19.8%, 19.7%, 18.3% and 18.3% of our total assets as of June 30, 2020 and December 31, 2019, 2018 and 2017, respectively.

OCBC Bank is represented on the board of Great Eastern Holdings, including each of the board committees except the audit committee. While the business strategy and operations of Great Eastern Holdings are managed separately by its own management team, we work closely with Great Eastern Holdings on some aspects of our businesses to deliver synergies, such as the distribution of Great Eastern Holdings' insurance products through our banking channels in Singapore, Malaysia and Indonesia, and cross-referrals of our banking products by Great Eastern Holdings' tied agents to their customers in Malaysia.

Life insurance activities contribute the majority of Great Eastern Holdings' profit from insurance operations, with the remainder from general insurance. In addition, Great Eastern Holdings earns investment income from the investment of its shareholders' funds, and fee income mainly from the fund management activities of its 70%-owned asset management subsidiary, Lion Global.

The main drivers of Great Eastern Holdings' insurance business are new business sales, investment returns on its life funds, and the long-term profitability of its insurance policies as measured by new business embedded value ("**NBEV**") and inforce business embedded value. New business sales are principally affected by consumer demand, new product launches, the effectiveness of Great Eastern Holdings' distribution channels and competition. Investment returns are principally affected by asset allocation of the life funds, risk profile of the investments, economic environment and market conditions. NBEV is a commonly used technique to estimate

the long-term economic value of new business and policies written by a life insurance company. It is defined as the value of projected shareholder distributable profits from new business sold in the year. Typical of the insurance industry, Great Eastern Holdings' accounting profit can be volatile from year to year and from quarter to quarter due to the mark-to-market valuation of its assets and liabilities, and this may also result in some volatility in our profit. The profit volatility arises mainly because policyholders' premiums are invested largely in fixed-income securities and equities, and the valuations of these investments are affected by financial market conditions, including movements in interest rates, credit spreads, equity prices and bond prices. Valuations of policyholder insurance liabilities, i.e., the estimation of the ultimate liabilities arising from claims and guaranteed benefits made under insurance contracts, are also affected by market interest rates used to discount future projected cashflows. For a better understanding of the performance of its underlying insurance business, excluding the impact of mark-to-market valuation of its assets and liabilities, Great Eastern Holdings provides additional disclosure of its operating profit from insurance business. Operating profit is defined as premiums less claims, surrenders, commissions, expenses and changes in reserves, plus net investment income (dividends, coupons, etc.).

Lion Global's fee income is primarily linked to the size of its assets under management and the performance of the funds it manages.

## **Principal Income Statement Components**

### ***Income (Loss)***

Our principal sources of operating income are net interest income, fees and commissions (net), profit from life insurance and premium income from general insurance, dividends, net trading income and other income.

#### *Net Interest Income*

Net interest income, or the difference between interest income and interest expenses, is determined by:

- (a) the amount of interest earning assets and interest-bearing liabilities;
- (b) the interest spread; and
- (c) the general level of interest rates.

Our principal interest earning assets consist of loans to customers, placements with and loans to banks, debt securities, placements with central banks and Singapore Government treasury bills and securities. Our principal interest-bearing liabilities consist of deposits of non-bank customers, deposits and balances of banks and debts issued. We control our exposure to interest rate fluctuations through asset-liability management operations.

#### *Fees and Commissions (Net)*

Our fees and commissions (net) is the difference between our fee and commission income and our fee and commission expense, which we derive or incur from the following sources: brokerage, fund management, distribution of wealth management products and services, loan-related activities, service charges, trade-related activities and remittances, guarantees and others.

### *Profit from Life Insurance*

Great Eastern Holdings' profit from life insurance forms part of our non-interest income in our consolidated income statement. It is presented as the difference between life insurance income and life insurance expense, and is determined by:

- (a) the amount of regular and single premiums received;
- (b) the net investment income generated during the period by the respective life funds;
- (c) the amounts paid out for claims, surrenders and annuities;
- (d) the change in life insurance fund contract liabilities; and
- (e) expenses, including commissions and agency expenses, acquisition costs, reinsurance costs and management expenses.

Profits to shareholders from the Participating Fund are allocated from the surplus or surplus capital of the fund, determined from the results of annual actuarial valuation parameters which are set out in the insurance regulations of the respective jurisdictions in which the insurance subsidiaries operate. The provisions in the articles of association of the insurance subsidiaries are applied in conjunction with the prescriptions in the respective insurance regulations, such that the distribution for any year to policyholders of the Participating Fund and shareholders approximate 90% and 10%, respectively, of total distribution from the Participating Fund. The annual distribution is approved by the Board of Directors of each insurance subsidiary under the advice of the Appointed Actuary of the respective insurance subsidiary.

For the Singapore life insurance business, the profits from the Non-Participating Fund and Investment Linked Fund are presented net of tax as the tax liability is borne by these respective funds. The profits from the Participating Fund in Singapore, and from all the Malaysia life insurance business, are before tax.

Apart from profit from life insurance, Great Eastern Holdings also contributes to other items in our total income, including net interest income and other non-interest income items.

### *Premium Income from General Insurance*

Premium income from general insurance is the insurance premiums received from Great Eastern Holdings' general insurance business.

### *Dividends*

We derive dividends from our portfolio of FVOCI (2017: available-for-sale) and fair value through profit or loss (FVTPL) (2017: trading) equity securities.

### *Net trading income*

Our net trading income comprises principally foreign exchange income (which includes gains and losses from spot and forward contracts and translation of foreign currency assets and liabilities), net income from hedging activities (which arise from the use of derivatives to hedge exposures to interest rate and foreign exchange risks, which are inherent in the underlying hedged items), net income from interest rate and other derivatives (which include gains and losses from interest rate, equity options and other derivative instruments) and net income from FVTPL (2017: trading) securities.

### *Other Income*

The principal components of our other income are disposal of debt securities classified as FVOCI (2017: securities classified as available-for-sale), disposal of debt securities classified as amortised cost (2017: loans and receivables) and rental income from investment properties that we lease to tenants.

### ***Operating Expenses***

Our operating expenses comprise staff costs and other operating expenses.

#### *Staff Costs*

Staff costs comprise salaries and other costs, share-based expenses in relation to our employee share option scheme and employee share purchase plan, contribution to defined contribution plans and directors' emoluments.

#### *Other Operating Expenses*

Other operating expenses comprise: (a) depreciation costs, maintenance and hire costs, rental and other expenses relating to our property, plant and equipment, including direct operating expenses on leased investment property; (b) auditors' remuneration and other fees; (c) general insurance claims; and (d) others, which includes communication, stationery and business promotion expenses and legal and professional fees.

### ***Allowances for Loans and Other Assets***

Allowances for loans and other assets include allowances for impaired and non-impaired loans and for other assets (including property, plant and equipment and government and debt securities).

### ***Critical Accounting Policies***

We have prepared our financial statements contained elsewhere in this Offering Memorandum in accordance with SFRS(I). Note 2 to our audited consolidated financial statements for the financial year ended December 31, 2019 incorporated in this Offering Memorandum, includes a summary of the significant accounting policies and methods we used in preparing these financial statements. The preparation of these statements requires that we make estimates and assumptions that affect the reported amounts of assets, liabilities, income and expenses. We base these estimates on historical experience and on assumptions that we consider reasonable under the circumstances; however, reported results could differ from those based on the current estimates under different assumptions or conditions.

The following accounting policies are those that we believe are or will be the most critical to a full understanding and evaluation of our reported and future financial results because they involve estimates of matters that are inherently uncertain.

### ***Impairment of Goodwill and Intangible Assets***

We perform an annual review of the carrying value of our goodwill and intangible assets, against the recoverable amounts of cash generating units to which the goodwill and intangible assets have been allocated. Recoverable amounts of cash generating units are determined based on the present value of estimated future cash flows expected to arise from the respective cash

generating units continuing operations. Management exercises its judgment in estimating the future cash flows, growth rates and discount rates used in computing the recoverable amounts of the cash generating units.

### ***Fair Value Estimation***

Fair value is derived from quoted market prices or valuation techniques which maximises the use of relevant observable inputs and minimise the use of unobservable inputs. The fair values of financial instruments that are not traded in an active market (for example, over-the-counter derivatives) are determined by using valuation techniques. Where unobservable data inputs have a significant impact on the value obtained from the valuation model, such a financial instrument is initially recognized at the transaction price, which is the best indicator of fair value. The difference between the transaction price and the model value, commonly referred to as “day one profit and loss” is not recognized immediately in the income statement.

The timing of recognition of deferred day one profit and loss is determined individually. It is amortized over the life of the transaction, released when the instrument’s fair value can be determined using market observable inputs, or when the transaction is derecognized.

### ***Income Taxes***

We are subject to income taxes in several jurisdictions. Significant judgment is required in determining the capital allowances and deductibility of certain expenses in estimating the income tax liabilities. There are many transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. We recognize liabilities for anticipated tax issues based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the income tax and deferred tax balances in the period in which the determination is made.

### ***Impairment of Loans (Policy Applicable before January 1, 2018)***

We assess impairment of loans by calculating the present value of future recoverable cash flows and the fair value of the underlying collaterals, which is determined based on credit assessment on a loan-by-loan basis. Homogeneous loans below a materiality threshold are grouped together according to their risk characteristics and collectively assessed taking into account the historical loss experience on such loans.

The portfolio allowances set aside for unimpaired loans are based on management’s credit experiences and judgment, taking into account geographical and industry factors. We maintain a minimum 1% portfolio allowance in accordance with the transitional arrangement set out in MAS Notice 612. The assumptions and judgments we use may affect these allowances.

### ***Impairment of Available-for-Sale Financial Assets (Policy Applicable before January 1, 2018)***

We follow the guidance of FRS 39 in determining when an investment is impaired. This determination requires significant judgment. We evaluate, among other factors, the duration and extent to which the fair value of an investment is less than its cost; and the financial health and near-term business outlook of the investee, including factors such as industry and sector performance, changes in technology and operations, and financial cash flow.

### ***Impairment of Financial Assets (Policy Applicable from January 1, 2018)***

In determining whether the credit risk of the Group's financial exposures has increased significantly since initial recognition, the Group will consider reasonable and supportable information that is readily available without undue cost or effort. This includes both quantitative and qualitative information such as the Group's historical credit assessment experience and available forward-looking information. ECL estimates are produced for all relevant instruments based on probability-weighted forward-looking economic scenarios. The measurement of ECL is primarily calculated based on the probability of default, loss given default and exposure at default. These are parameters derived from internal rating models adjusted by forward-looking information. Where internal rating models are not available, such estimates are based on comparable internal rating models after adjusting for portfolio differences.

The PD, LGD and EAD models which support these determinations are reviewed regularly in light of differences between loss estimates and actual loss experience. Given that SFRS(I) 9 requirements are relatively recent, the underlying models and their calibration, including how they react to forward-looking economic conditions, remain subject to review and refinement.

### ***Liabilities of Insurance Business***

The estimation of the ultimate liabilities arising from claims made under life and general insurance contracts is the most critical accounting estimate for Great Eastern Holdings. There are several sources of uncertainty that need to be considered in the estimation of the liabilities that will ultimately be paid as claims.

For life insurance contracts, estimates are made for future deaths, disabilities, morbidity, lapses, voluntary terminations, investment returns and administration expenses. Great Eastern Holdings relies on standard industry reinsurance and national mortality and morbidity tables which represent historical experience, and makes appropriate adjustments for its respective risk exposures and portfolio experience in deriving the mortality and morbidity estimates. These estimates provide the basis for the valuation of the future benefits to be paid to policyholders, and to ensure adequate provisions which are monitored against current and future premiums. For those contracts that insure risk on longevity and disability, estimates are made based on recent past experience and emerging trends. Epidemics and changing patterns of lifestyle could result in significant changes to the expected future exposures.

At each balance sheet date, these estimates are assessed for adequacy and changes will be reflected as adjustments to the insurance fund contract liabilities.

For general insurance contracts, estimates have to be made for both the expected ultimate cost of claims reported at the balance sheet date and for the expected ultimate cost of claims incurred but not yet reported at the balance sheet date.

For further information on the significant accounting policies with respect to Great Eastern Holdings, see Note 2 of the notes to our audited consolidated financial statements as of and for the financial year ended December 31, 2019.

### ***Insurance Contract Classification***

Contracts are classified as insurance contracts where significant insurance risk is transferred from the policyholder to Great Eastern Holdings. Great Eastern Holdings exercise judgment about the level of insurance risk transferred. The level of insurance risk is assessed by considering whether upon the insured event, Great Eastern Holdings are required to pay significant additional benefits. These additional benefits include claims liability and assessment costs, but exclude the loss of the ability to charge the policyholder for future services. The assessment covers the whole of the expected term of the contract where such additional benefits could be payable. Some contracts contain options for the policyholder to purchase insurance risk protection at a later date; these insurance risks are deemed not significant.

## Recent Accounting Pronouncements

For the six months ended June 30, 2020, we adopted various new or revised financial reporting standards and interpretations that became effective from January 1, 2020. The initial application of these standards and interpretations does not have any material impact on our consolidated financial statements.

See Note 2.1 of the notes to our audited consolidated financial statements as of and for the financial year ended December 31, 2019 for a summary of the standards and interpretations that became effective from January 1, 2019.

## Results of Operations

The following table provides a breakdown of our income statement for the periods indicated. You should read this table together with our financial statements, including the notes thereto, appearing elsewhere in this Offering Memorandum.

	Year ended December 31,				Six months ended June 30,		
	2017	2018	2019		2019	2020	
	S\$	S\$	S\$	U.S.\$	S\$	S\$	U.S.\$
		<i>(in millions)</i>				<i>(in millions)</i>	
Total interest income . . . . .	9,118	11,049	12,098	8,981	6,093	5,229	3,747
Total interest expense . . . . .	(3,695)	(5,159)	(5,767)	(4,281)	(2,971)	(2,120)	(1,519)
Net interest income . . . . .	5,423	5,890	6,331	4,700	3,122	3,109	2,228
Non-interest income . . . . .	4,105	3,811	4,540	3,370	2,172	2,006	1,437
Total income . . . . .	9,528	9,701	10,871	8,070	5,294	5,115	3,665
Staff costs . . . . .	(2,471)	(2,606)	(2,840)	(2,108)	(1,390)	(1,403)	(1,005)
Other operating expenses . . . . .	(1,572)	(1,608)	(1,804)	(1,339)	(856)	(813)	(583)
Total operating expenses . . . . .	(4,043)	(4,214)	(4,644)	(3,447)	(2,246)	(2,216)	(1,588)
Operating profit before allowances and amortization . . .	5,485	5,487	6,227	4,623	3,048	2,899	2,077
Amortization of intangible assets . . . . .	(104)	(102)	(103)	(76)	(51)	(53)	(38)
Allowances for loans and other assets . . . . .	(671)	(288)	(890)	(661)	(360)	(1,407)	(1,008)
Operating profit after allowances and amortization . . .	4,710	5,097	5,234	3,886	2,637	1,439	1,031
Share of results of associates, net of tax . . . . .	389	455	566	420	316	328	235
Profit before income tax . . . . .	5,099	5,552	5,800	4,306	2,953	1,767	1,266
Income tax expense . . . . .	(803)	(877)	(778)	(578)	(419)	(281)	(201)
Profit for the period . . . . .	4,296	4,675	5,022	3,728	2,534	1,486	1,065
<b>Profit attributable to:</b>							
Equity holders of OCBC Bank . . . . .	4,045	4,492	4,869	3,615	2,454	1,428	1,023
Non-controlling interests . . . . .	251	183	153	113	80	58	42
	4,296	4,675	5,022	3,728	2,534	1,486	1,065



## **Segment Information**

### *Business Segments*

For the purpose of financial reporting of business segment results, our businesses are presented under six main segments representing the key customer and product groups: Global Consumer/Private Banking, Global Wholesale Banking, Global Treasury and Markets, OCBC Wing Hang, Insurance and Others.

The Global Consumer/Private Banking segment provides a full range of products and services to individual customers. At Global Consumer Banking, the products and services offered include deposit products, consumer loans, credit cards, wealth management products and brokerage services. Private Banking caters to the specialised banking needs of high net worth individuals, offering wealth management expertise, including investment advice and portfolio management services, estate and trust planning, and wealth structuring.

The Global Wholesale Banking serves institutional customers ranging from large corporates and the public sector to small and medium enterprises, and encompasses full range of financing solutions including long-term project financing, short-term credit, working capital and trade financing and customised and structured equity-linked financing, as well as cash management and custodian services, corporate finance and capital market solutions.

The Global Treasury and Markets segment is responsible for the management of the Group's asset and liability interest rate positions, engages in foreign exchange activities, money market operations, fixed income and derivatives trading, and offers structured treasury products and financial solutions to meet customers' investment and hedging needs. Income from treasury products and services offered to customers of other business segments is reflected in the respective business segments.

OCBC Wing Hang segment provides a comprehensive range of commercial banking and related financial services such as consumer financing, share brokerage and insurance.

The Insurance segment covers the Group's insurance business, including its fund management activities, which provide both life and general insurance products to its customers mainly in Singapore and Malaysia.

For the financial years ended December 31, 2017, 2018 and 2019 and the six months ended June 30, 2020, respectively, the "Others" segment comprised mainly property holding, investment holding and items not attributable to the other five business segments. Where there are material changes in the organizational structure and management reporting methodologies, segment information for prior periods is restated to allow comparability.

The following tables show the breakdown of total income and operating profit after allowances and amortization<sup>(1)</sup> by business segment.

	Year ended December 31,				Six months ended June 30,		
	2017	2018	2019		2019	2020	
	S\$	S\$	S\$	U.S.\$	S\$	S\$	U.S.\$
	<i>(in millions, except for percentages)</i>				<i>(in millions, except for percentages)</i>		
<b>Total Income</b>							
Global Consumer/Private Banking . . . . .	3,218	3,422	3,701	2,748	1,799	1,805	1,293
Global Wholesale Banking . . . . .	3,020	3,414	3,585	2,661	1,771	1,638	1,174
Global Treasury and Markets . . . . .	754	759	864	641	395	536	384
OCBC Wing Hang . . . . .	968	1,125	1,115	828	538	621	445
Insurance . . . . .	1,480	1,072	1,470	1,091	737	551	395
Others . . . . .	88	(91)	136	101	54	(36)	(26)
<b>Total</b> . . . . .	<b>9,528</b>	<b>9,701</b>	<b>10,871</b>	<b>8,070</b>	<b>5,294</b>	<b>5,115</b>	<b>3,665</b>

	Year ended December 31,				Six months ended June 30,		
	2017	2018	2019		2019	2020	
	S\$	S\$	S\$	U.S.\$	S\$	S\$	U.S.\$
	<i>(in millions, except for percentages)</i>				<i>(in millions, except for percentages)</i>		
<b>Operating Profit after Allowances and Amortization</b>							
Global Consumer/Private Banking . . . . .	1,230	1,313	1,438	1,068	723	604	433
Global Wholesale Banking . . . . .	1,404	2,051	1,615	1,199	877	30	21
Global Treasury and Markets . . . . .	482	492	589	437	259	378	271
OCBC Wing Hang . . . . .	370	497	424	315	195	283	203
Insurance . . . . .	1,144	811	1,068	793	557	395	283
Others . . . . .	80	(67)	100	74	26	(251)	(180)
<b>Total</b> . . . . .	<b>4,710</b>	<b>5,097</b>	<b>5,234</b>	<b>3,886</b>	<b>2,637</b>	<b>1,439</b>	<b>1,031</b>

**Note:**

(1) With effect from January 1, 2020, the basis for determining the breakdown of total income and operating profit after allowances and amortization by business segments was updated to reflect how the business segments' profitability are being analyzed. Accordingly, the comparative figures for total income and operating profit after allowances and amortization for the immediate preceding periods (i.e. the six months ended June 30, 2019 and the year ended December 31, 2019) were restated to facilitate comparison with the six months ended June 30, 2020. The comparatives for years ended December 31, 2017 and 2018 were not restated as the relevant information is not available and the cost to develop such information is excessive. There is no change to total income or operating profit after allowances and amortization for the Group as a whole.

For further details of our business segments, see Note 38.1 of the notes to our audited consolidated financial statements as of and for the years ended December 31, 2017, 2018 and 2019, respectively.

In addition to the above classifications, we also regard our wealth management related businesses as an important part of our business. Our wealth management income, comprising consolidated income from our insurance, asset management, stockbroking and private banking subsidiaries, plus our income from the sales of unit trusts, bancassurance products, structured deposits and other treasury products to consumer customers, decreased from S\$3.14 billion in 2017 to S\$2.84 billion in 2018 and increased to S\$3.40 billion (U.S.\$2.52 billion) in 2019, and decreased from S\$1.67 billion for the six months ended June 30, 2019 to S\$1.59 billion (U.S.\$1.14 billion) for the six months ended June 30, 2020. In the table on total income by business segments, the wealth management income is spread across the different segments.

### Geographic Segments

We also classify our business activities by geographical segments. The following tables show the breakdown of total income and profit before income tax by geographic segment.

	Year ended December 31,				Six months ended June 30,		
	2017	2018	2019		2019	2020	
	S\$	S\$	S\$	U.S.\$	S\$	S\$	U.S.\$
	<i>(in millions, except for percentages)</i>				<i>(in millions, except for percentages)</i>		
<b>Total Income</b>							
Singapore . . . . .	5,683	5,552	6,552	4,864	3,223	2,711	1,943
Malaysia . . . . .	1,328	1,457	1,469	1,091	708	838	600
Indonesia . . . . .	808	769	849	630	405	457	327
Greater China . . . . .	1,326	1,477	1,494	1,109	722	850	609
Other Asia Pacific . . . . .	162	212	224	166	105	116	83
Rest of the World . . . . .	221	234	283	210	131	143	103
Total . . . . .	<u>9,528</u>	<u>9,701</u>	<u>10,871</u>	<u>8,070</u>	<u>5,294</u>	<u>5,115</u>	<u>3,665</u>

	Year ended December 31,				Six months ended June 30,		
	2017	2018	2019		2019	2020	
	S\$	S\$	S\$	U.S.\$	S\$	S\$	U.S.\$
	<i>(in millions, except for percentages)</i>				<i>(in millions, except for percentages)</i>		
<b>Profit Before Income Tax</b>							
Singapore . . . . .	2,760	2,975	3,221	2,391	1,691	268	192
Malaysia . . . . .	706	913	830	615	381	459	329
Indonesia . . . . .	449	354	274	204	160	166	119
Greater China . . . . .	978	1,037	1,154	857	571	732	525
Other Asia Pacific . . . . .	119	158	156	116	77	76	54
Rest of the World . . . . .	87	115	165	123	73	66	47
Total . . . . .	<u>5,099</u>	<u>5,552</u>	<u>5,800</u>	<u>4,306</u>	<u>2,953</u>	<u>1,767</u>	<u>1,266</u>

See Note 38.2 of the notes to our audited consolidated financial statements as of and for the years ended December 31, 2017, 2018 and 2019 for further details of our geographical segments.

## Net Interest Income and Net Interest Margin

The following table sets forth the principal components, analyzed by major source, of interest income and interest expense for the periods indicated. For the purposes of the following table, period averages are calculated based on the average of month-end values.

	Year ended December 31,				Six months ended June 30,		
	2017	2018	2019		2019	2020	
	S\$	S\$	S\$	U.S.\$	S\$	S\$	U.S.\$
	<i>(in millions, except for percentages)</i>				<i>(in millions, except for percentages)</i>		
<b>Interest income:</b>							
Loans to non-bank customers . . . . .	6,845	8,195	9,086	6,745	4,569	3,980	2,852
Placements with and loans to banks . . . . .	1,090	1,559	1,503	1,116	774	547	392
Other interest earning assets . . . . .	1,183	1,295	1,509	1,120	750	702	503
Total interest income . . . . .	9,118	11,049	12,098	8,981	6,093	5,229	3,747
<b>Interest expense:</b>							
Deposits of non-bank customers . . . . .	(2,960)	(4,169)	(4,807)	(3,569)	(2,448)	(1,807)	(1,295)
Deposits and balances of banks . . . . .	(142)	(182)	(192)	(142)	(97)	(60)	(43)
Other borrowings . . . . .	(593)	(808)	(768)	(570)	(426)	(253)	(181)
Total interest expenses . . . . .	(3,695)	(5,159)	(5,767)	(4,281)	(2,971)	(2,120)	(1,519)
Net interest income . . . . .	5,423	5,890	6,331	4,700	3,122	3,109	2,228
Average interest yield <sup>(1)</sup> . . . . .	2.77%	3.18%	3.39%	3.39%	3.46%	2.83%	2.83%
Average interest cost <sup>(2)</sup> . . . . .	1.20%	1.58%	1.73%	1.73%	1.81%	1.22%	1.22%
Net interest margin <sup>(3)</sup> . . . . .	1.65%	1.70%	1.77%	1.77%	1.78%	1.68%	1.68%
Net interest spread <sup>(4)</sup> . . . . .	1.57%	1.60%	1.66%	1.66%	1.65%	1.61%	1.61%
Average interest earning assets . . . . .	328,792	347,361	357,359	265,300	354,618	371,940	266,509
Average interest-bearing liabilities . . . . .	308,184	327,461	333,714	247,746	331,746	348,303	249,572

### Notes:

- (1) Total interest income divided by average interest earning assets.
- (2) Total interest expense divided by average interest-bearing liabilities.
- (3) Net interest income as a percentage of average interest earning assets.
- (4) Difference between average interest yield on interest earning assets and average interest cost on interest bearing liabilities.

For the purposes of this sub-section entitled “Management’s Discussion and Analysis of Financial Condition and Results of Operations – Net Interest Income and Net Interest Margin”, period averages are calculated based on the average of month-end values.

## Net Interest Income and Net Interest Margin

Six months ended June 30, 2020 compared to six months ended June 30, 2019. Our net interest income decreased 0.4% to S\$3,109 million (U.S.\$2,228 million) for the six months ended June 30, 2020 from S\$3,122 million for the six months ended June 30, 2019, as an increase in assets was offset by a sharp decline in net interest margin (“NIM”). NIM fell 10 basis points to 1.68% from

1.78% a year ago, mainly attributable to reduced asset yields in a low interest rate environment which outpaced a decline in funding costs, and the effects of a lower loans-to-deposits ratio from strong deposit growth. Average interest earning assets increased 4.9% to S\$371,940 million (U.S.\$266,509 million) for the six months ended June 30, 2020 from S\$354,618 million for the six months ended June 30, 2019.

2019 compared to 2018. Our net interest income increased 7.5% to S\$6,331 million (U.S.\$4,700 million) in 2019 from S\$5,890 million in 2018, mainly driven by asset growth and a rise in NIM. NIM expanded 7 basis points to 1.77% from 1.70% in 2018, underpinned by higher margins in Singapore and Greater China. Average interest earning assets increased 2.9% to S\$357,359 million (U.S.\$265,300 million) in 2019 from S\$347,361 million in 2018.

2018 compared to 2017. Our net interest income increased 8.6% to S\$5,890 million in 2018 from S\$5,423 million in 2017, mainly driven by loan growth and a rise in NIM. NIM rose 5 basis points to 1.70% from 1.65% in 2017, underpinned by higher margins in Singapore, Malaysia and Greater China. Average interest earning assets increased 5.6% to S\$347,361 million in 2018 from S\$328,792 million in 2017.

### Volume and Rate Analysis

The following table allocates changes in interest income and interest expense between changes in volume and changes in rate for the periods shown. Changes in volume are calculated based on the change in the average balance (in both periods) multiplied by the average rate of the first period. Changes in rate are calculated based on the change in the rate yield (in both periods) multiplied by the average balance of the first period. Volume/rate variance is prorated according to changes in volume and rate.

	Year ended December 31,						Six months ended June 30, 2020		
	2018 over 2017			2019 over 2018			2020 over 2019		
	Increase/(decrease) due to changes in			Increase/(decrease) due to changes in			Increase/(decrease) due to changes in		
	Volume	Rate	Net change	Volume	Rate	Net change	Volume	Rate	Net change
	<i>S\$ (in millions)</i>						<i>S\$ (in millions)</i>		
<b>Interest income:</b>									
Loans and advances to non-bank customers . . . . .	688	662	1,350	286	605	891	211	(825)	(614)
Placements with and loans to banks . . . . .	(90)	559	469	(80)	24	(56)	25	(257)	(232)
Other interest earnings assets . . .	11	101	112	103	111	214	59	(111)	(52)
<b>Total . . . . .</b>	<b>609</b>	<b>1,322</b>	<b>1,931</b>	<b>309</b>	<b>740</b>	<b>1,049</b>	<b>295</b>	<b>(1,193)</b>	<b>(898)</b>
<b>Interest expense:</b>									
Deposits of non-bank customers . . . . .	211	998	1,209	130	508	638	151	(805)	(654)
Deposits and balances of banks . . . . .	(31)	71	40	44	(34)	10	9	(47)	(38)
Other borrowings . .	53	162	215	(122)	82	(40)	(36)	(140)	(176)
<b>Total . . . . .</b>	<b>233</b>	<b>1,231</b>	<b>1,464</b>	<b>52</b>	<b>556</b>	<b>608</b>	<b>124</b>	<b>(992)</b>	<b>(868)</b>

	Year ended December 31,						Six months ended June 30, 2020		
	2018 over 2017			2019 over 2018			2020 over 2019		
	Increase/(decrease) due to changes in			Increase/(decrease) due to changes in			Increase/(decrease) due to changes in		
	Volume	Rate	Net change	Volume	Rate	Net change	Volume	Rate	Net change
		<i>S\$ (in millions)</i>					<i>S\$ (in millions)</i>		
Impact on net interest income . . .		467			441			(30)	
Due to change in number of days . . .		–			–			17	
Net interest income . . . . .		467			441			(13)	

### Non-Interest Income

The following table sets forth the principal components of non-interest income for the periods indicated.

	Year ended December 31,				Six months ended June 30,			
	2017	2018	2019		2019	2020		
	S\$	S\$	S\$	U.S.\$	S\$	S\$	U.S.\$	
			<i>(in millions, except for percentages)</i>					
<b>Non-interest income:</b>								
Fees and commissions (net) . . . . .	1,953	2,031	2,123	1,576	1,017	986	707	
Profit from life insurance . .	768	740	779	578	375	338	242	
Premium income from general insurance . . . . .	150	171	197	146	89	101	72	
Dividends . . . . .	76	128	92	68	32	30	21	
Net trading income <sup>(1)</sup> . . . . .	515	508	977	725	478	343	246	
Other income <sup>(1)</sup> . . . . .	643	233	372	277	181	208	149	
Total non-interest income . .	4,105	3,811	4,540	3,370	2,172	2,006	1,437	
Non-interest income/Total income . . . . .	43.1%	39.3%	41.8%	41.8%	41.0%	39.2%	39.2%	

#### Note:

(1) "Rental income" was disclosed as a separate line item and "Net trading income" was subsumed and disclosed as part of "Other income" in the financial statements for the years ended December 31, 2017, 2018 and 2019 and six months ended June 30, 2019.

Six months ended June 30, 2020 compared to six months ended June 30, 2019. Our total non-interest income decreased 7.6% to S\$2,006 million (U.S.\$1,437 million) for the six months ended June 30, 2020 from S\$2,172 million for the six months ended June 30, 2019 attributable to lower net trading income.

2019 compared to 2018. Our total non-interest income increased 19.1% to S\$4,540 million (U.S.\$3,370 million) in 2019 from S\$3,811 million in 2018 driven by broad-based income growth.

2018 compared to 2017. Our total non-interest income decreased 7.2% to S\$3,811 million in 2018 from S\$4,105 million in 2017, as substantially higher gains were realised from the divestment of investment securities in 2017.

## ***Fees and Commissions (Net)***

The following table sets forth our fees and commissions net of expenses, broken down by major sources, for the periods indicated.

	<b>Year ended December 31,</b>				<b>Six months ended June 30,</b>		
	<b>2017</b>	<b>2018</b>	<b>2019</b>		<b>2019</b>	<b>2020</b>	
	<b>S\$</b>	<b>S\$</b>	<b>S\$</b>	<b>U.S.\$</b>	<b>S\$</b>	<b>S\$</b>	<b>U.S.\$</b>
	<i>(in millions, except for percentages)</i>				<i>(in millions, except for percentages)</i>		
Brokerage . . . . .	111	105	82	61	41	70	50
Credit card . . . . .	315	351	348	258	165	131	94
Fund management . . . . .	108	113	115	85	56	59	42
Guarantees . . . . .	19	18	16	12	9	7	5
Investment banking . . . . .	99	102	106	79	52	46	33
Loan-related . . . . .	292	300	307	228	145	81	58
Service charges . . . . .	100	100	99	73	45	43	31
Trade-related and remittances . . . . .	217	239	254	189	119	123	88
Wealth management . . . . .	914	958	1,036	769	500	555	398
Others . . . . .	39	40	44	33	21	23	17
	<u>2,214</u>	<u>2,326</u>	<u>2,407</u>	<u>1,787</u>	<u>1,153</u>	<u>1,138</u>	<u>816</u>
Fee and commission expense . . . . .	<u>(261)</u>	<u>(295)</u>	<u>(284)</u>	<u>(211)</u>	<u>(136)</u>	<u>(152)</u>	<u>(109)</u>
Total fees commissions (net) . . . . .	<u>1,953</u>	<u>2,031</u>	<u>2,123</u>	<u>1,576</u>	<u>1,017</u>	<u>986</u>	<u>707</u>
Fees and commissions/Total income . . . . .	20.5%	20.9%	19.5%	19.5%	19.2%	19.3%	19.3%

Six months ended June 30, 2020 compared to six months ended June 30, 2019. Our total net fees and commissions decreased 3.0% to S\$986 million (U.S.\$707 million) for the six months ended June 30, 2020 from S\$1,017 million for the six months ended June 30, 2019, as transactional and credit card fees were impacted by reduced customer activity during the movement restriction period. These more than offset higher fees from brokerage as a result of a rise in online trading activities and wealth management fees. Wealth management fee income increased 11.0% to S\$555 million (U.S.\$398 million) for the six months ended June 30, 2020 from S\$500 million for the six months ended June 30, 2019.

2019 compared to 2018. Our total net fees and commissions increased 4.5% to S\$2,123 million (U.S.\$1,576 million) in 2019 from S\$2,031 million in 2018, mainly driven by higher wealth management and credit card fees, as well as increased fees from loan, trade and investment banking activities. Wealth management fee income increased 8.1% to S\$1,036 million (U.S.\$769 million) in 2019 from S\$958 million in 2018.

2018 compared to 2017. Our total net fees and commissions increased 4.0% to S\$2,031 million in 2018 from S\$1,953 million in 2017, mainly driven by an increase in wealth management, credit card, loan and trade-related fees. Wealth management fee income increased 4.8% to S\$958 million in 2018 from S\$914 million in 2017.

## Profit from Life and General Insurance

The following table sets forth our income, expenses and profit from life and general insurance for the periods indicated. Profit is stated on a net of tax basis for the Singapore Non-Participating Fund and Investment Linked Fund.

	Year ended December 31,				Six months ended June 30,		
	2017	2018	2019		2019	2020	
	S\$	S\$	S\$	U.S.\$	S\$	S\$	U.S.\$
	<i>(in million)</i>				<i>(in million)</i>		
<b>Income:</b>							
Annual . . . . .	6,302	6,721	7,372	5,473	3,564	3,763	2,696
Single . . . . .	6,001	5,221	4,041	3,000	1,720	2,532	1,814
Gross premiums . . . . .	12,303	11,942	11,413	8,473	5,284	6,295	4,510
Reinsurances . . . . .	(186)	(268)	(448)	(333)	(245)	(218)	(156)
Premium income (net) . . . .	12,117	11,674	10,965	8,140	5,039	6,077	4,354
Investment income (net) . . .	4,117	69	6,911	5,131	4,193	1,379	988
Total income . . . . .	16,234	11,743	17,876	13,271	9,232	7,456	5,342
<b>Expenses:</b>							
Gross claims, surrenders and annuities . . . . .	(5,468)	(6,430)	(6,637)	(4,927)	(3,078)	(3,507)	(2,513)
Claims, surrenders and annuities recovered from reinsurers . . . . .	129	165	232	172	108	91	65
Net claims, surrenders and annuities . . . . .	(5,339)	(6,265)	(6,405)	(4,755)	(2,970)	(3,416)	(2,448)
Net change in life insurance fund contract liabilities . . . . .	(8,216)	(3,183)	(8,557)	(6,353)	(4,835)	(3,195)	(2,289)
Commission and agency expenses . . . . .	(893)	(957)	(1,062)	(788)	(471)	(498)	(357)
Depreciation property, plant and equipment . . . . .	(66)	(51)	(65)	(48)	(27)	(34)	(24)
Other expenses . . . . .	(467)	(496)	(933)	(693)	(512)	27	19
Total expenses . . . . .	(14,981)	(10,952)	(17,022)	(12,637)	(8,815)	(7,116)	(5,099)
Surplus from operations . . .	1,253	791	854	634	417	340	243
Share of results of associates and joint ventures . . . . .	(#)	(#)	(#)	(#)	(#)	(#)	(#)
Income tax expense . . . . .	(485)	(51)	(75)	(56)	(42)	(2)	(1)
Profit from life insurance . .	768	740	779	578	375	338	242
Premium income from general insurance . . . . .	150	171	197	146	89	101	72
Profit from life and general insurance . . . . .	918	911	976	724	464	439	314

**Note:**

# represents amounts less than S\$0.5 million.



Six months ended June 30, 2020 compared to six months ended June 30, 2019. Our total income from life and general insurance decreased 5.4% to S\$439 million (U.S.\$314 million) for the six months ended June 30, 2020 from S\$464 million for the six months ended June 30, 2019, principally as a result of weak investment performance arising from unfavourable market conditions which more than offset an increase in operating profit from Great Eastern Holdings' insurance business.

2019 compared to 2018. Our total income from life and general insurance increased 7.1% to S\$976 million (U.S.\$724 million) in 2019 from S\$911 million in 2018, principally as a result of higher year-on-year total weighted new sales and new business embedded value.

2018 compared to 2017. Our total income from life and general insurance decreased 0.8% to S\$911 million in 2018 from S\$918 million in 2017, relatively unchanged year-on-year.

#### *Dividends*

Six months ended June 30, 2020 compared to six months ended June 30, 2019. Our dividends decreased by 6.3% to S\$30 million (U.S.\$21 million) for the six months ended June 30, 2020 from S\$32 million for the six months ended June 30, 2019, relatively unchanged year-on-year.

2019 compared to 2018. Our dividends decreased by 28.1% to S\$92 million (U.S.\$68 million) in 2019 from S\$128 million in 2018, as a result of divestments.

2018 compared to 2017. Our dividends increased by 68.4% to S\$128 million in 2018 from S\$76 million in 2017, as a result of higher dividends from existing and new investments.

#### *Net Trading income*

The following table sets forth our net trading income for the periods indicated.

	Year ended December 31,				Six months ended June 30,		
	2017	2018	2019		2019	2020	
	S\$	S\$	S\$	U.S.\$	S\$	S\$	U.S.\$
		<i>(in millions)</i>				<i>(in millions)</i>	
Foreign exchange <sup>(1)</sup> . . . . .	254	543	463	344	231	87	62
Hedging activities <sup>(2)</sup> :							
Hedging instruments . . . . .	101	(194)	(93)	(69)	(10)	(69)	(49)
Hedged items . . . . .	(102)	193	96	71	12	70	50
Fair value hedge ineffectiveness . . . . .	(1)	(1)	3	2	2	1	1
Interest rate and other derivatives <sup>(3)</sup> . . . . .	104	299	(83)	(62)	(52)	279	200
Non-derivative financial instruments <sup>(4)</sup> . . . . .	157	(333)	592	440	295	(31)	(22)
Others . . . . .	1	(#)	2	1	2	7	5
Net trading income . . . . .	<u>515</u>	<u>508</u>	<u>977</u>	<u>725</u>	<u>478</u>	<u>343</u>	<u>246</u>

#### **Notes:**

- (1) "Foreign exchange" includes gains and losses from spot and forward contracts and translation of foreign currency assets and liabilities.
- (2) "Hedging activities" arise from the use of derivatives to hedge exposures to interest rate and foreign exchange risks, which are inherent in the underlying "hedged items".

- (3) "Interest rate and other derivatives" include gains and losses from interest rate derivative instruments, equity options and other derivative instruments.
- (4) "Non-derivative financial instruments" include trading gains and losses from fair value financial instruments which are either designated at initial recognition or mandatorily measured at FVTPL.
- # represents amounts less than S\$0.5 million.

Six months ended June 30, 2020 compared to six months ended June 30, 2019. Our net trading income decreased by 28.2% to S\$343 million (U.S.\$246 million) for the six months ended June 30, 2020 from S\$478 million for the six months ended June 30, 2019 as higher customer flow income was more than offset by unrealized mark-to-market losses in Great Eastern Holdings' ("GEH") investment portfolio.

2019 compared to 2018. Our net trading income increased by 92.3% to S\$977 million (U.S.\$725 million) in 2019 from S\$508 million in 2018 mainly attributable to an 18.0% rise in customer flow income and mark-to-market gains in GEH's investment portfolio.

2018 compared to 2017. Our net trading income decreased by 1.4% to S\$508 million in 2018 from S\$515 million in 2017, relatively unchanged year-on-year.

### Other Income

The following table sets forth our other income for the periods indicated.

	Year ended December 31,				Six months ended June 30,		
	2017	2018	2019		2019	2020	
	S\$	S\$	S\$	U.S.\$	S\$	S\$	U.S.\$
	<i>(in millions)</i>				<i>(in millions)</i>		
Disposal of securities classified as fair value through other comprehensive income (2017: available-for-sale) . . .	405	16	171	127	82	160	115
Disposal of securities classified as amortised cost (2017: loans and receivables) . . . . .	26	–	–	–	–	–	–
Disposal/liquidation of subsidiaries and associates . . . . .	34	8	1	1	1	–	–
Disposal of plant and equipment . . . . .	(#)	(#)	(1)	(1)	(#)	(#)	(#)
Disposal of property . . . . .	57	47	83	62	41	14	10
Rental income . . . . .	83	79	80	59	39	27	19
Computer-related services income . . . . .	22	–	–	–	–	–	–
Property-related income . . .	10	11	11	8	6	4	3
Others . . . . .	6	72	27	21	12	3	2
<b>Total . . . . .</b>	<b>643</b>	<b>233</b>	<b>372</b>	<b>277</b>	<b>181</b>	<b>208</b>	<b>149</b>

**Note:**

# represents amounts less than S\$0.5 million.

Six months ended June 30, 2020 compared to six months ended June 30, 2019. Our total other income increased 14.9% to S\$208 million (U.S.\$149 million) for the six months ended June 30, 2020 from S\$181 million for the six months ended June 30, 2019, principally as a result of higher net gains from the sale of investment securities of S\$160 million (U.S.\$115 million) for six months ended June 30, 2020, up from S\$82 million a year ago.

2019 compared to 2018. Our total other income increased 59.7% to S\$372 million (U.S.\$277 million) in 2019 from S\$233 million in 2018, principally as a result of higher net gains from the sale of investment securities of S\$171 million (U.S.\$127 million) in 2019, up from S\$16 million in 2018.

2018 compared to 2017. Our total other income decreased 63.8% to S\$233 million in 2018 from S\$643 million in 2017, principally as a result of lower net gains from the sale of investment securities of S\$16 million, down from S\$431 million in 2017.

### **Operating Expenses**

The following table shows a breakdown of our operating expenses for the periods indicated.

	Year ended December 31,				Six months ended June 30,		
	2017	2018	2019		2019	2020	
	S\$	S\$	S\$	U.S.\$	S\$	S\$	U.S.\$
	<i>(in millions)</i>				<i>(in millions)</i>		
<b>Staff costs:</b>							
Salaries and other costs . . .	2,221	2,337	2,553	1,895	1,247	1,256	900
Share-based expenses . . .	55	65	69	51	34	37	27
Contribution to defined contribution plans . . . . .	180	189	202	150	101	103	74
Directors' emoluments . . . . .	15	15	16	12	8	7	5
Total staff costs . . . . .	<u>2,471</u>	<u>2,606</u>	<u>2,840</u>	<u>2,108</u>	<u>1,390</u>	<u>1,403</u>	<u>1,006</u>
<b>Other operating expenses:</b>							
Property and equipment . . .	793	812	858	637	415	424	304
Auditor's remuneration . . .	7	8	9	7	5	5	4
Other fees . . . . .	2	4	3	2	1	1	1
General insurance claims . .	72	92	107	79	50	55	39
Others . . . . .	698	692	827	614	385	328	234
Total other operating expenses . . . . .	<u>1,572</u>	<u>1,608</u>	<u>1,804</u>	<u>1,339</u>	<u>856</u>	<u>813</u>	<u>582</u>
Total operating expenses . .	<u>4,043</u>	<u>4,214</u>	<u>4,644</u>	<u>3,447</u>	<u>2,246</u>	<u>2,216</u>	<u>1,588</u>

Six months ended June 30, 2020 compared to six months ended June 30, 2019. Our total operating expenses decreased 1.3% to S\$2,216 million (U.S.\$1,588 million) for the six months ended June 30, 2020 from S\$2,246 million for the six months ended June 30, 2019, principally as a result of lower business promotion costs and travelling expenses, partly offset by a small increase in staff costs. Staff costs rose 0.9% to S\$1,403 million (U.S.\$1,006 million) for the six months ended June 30, 2020 from S\$1,390 million for the six months ended June 30, 2019. The average number of staff increased from 30,019 for the six months ended June 30, 2019 to 30,450 for the six months ended June 30, 2020.



2019 compared to 2018. Our net allowances for loans and other assets increased 209.0% to S\$890 million (U.S.\$661 million) in 2019 from S\$288 million in 2018. The year-on-year increase was largely attributable to allowances made for the non-performing loans in the OSV industry, as well as additional allowances for non-impaired loans resulting from the adjustment to the macro-economic variables in the ECL model to reflect the weaker market outlook in the region.

2018 compared to 2017. Our net allowances for loans and other assets decreased 57.1% to S\$288 million in 2018 from S\$671 million in 2017, principally as a result of lower allowances set aside for corporate accounts in the OSV sector.

### ***Profit Before Income Tax***

Six months ended June 30, 2020 compared to six months ended June 30, 2019. Our profit before income tax decreased by 40.2% to S\$1,767 (U.S.\$1,266 million) for the six months ended June 30, 2020 from S\$2,953 million for the six months ended June 30, 2019.

2019 compared to 2018. Our profit before income tax increased by 4.5% to S\$5,800 million (U.S.\$4,306 million) in 2019 from S\$5,552 million in 2018.

2018 compared to 2017. Our profit before income tax increased by 8.9% to S\$5,552 million in 2018 from S\$5,099 million in 2017.

### ***Income Tax Expense***

Six months ended June 30, 2020 compared to six months ended June 30, 2019. Our income tax expense decreased by 32.9% to S\$281 million (U.S.\$201 million) for the six months ended June 30, 2020 from S\$419 million for the six months ended June 30, 2019.

2019 compared to 2018. Our income tax expense decreased by 11.3% to S\$778 million (U.S.\$578 million) in 2019 from S\$877 million in 2018.

2018 compared to 2017. Our income tax expense increased by 9.2% to S\$877 million in 2018 from S\$803 million in 2017.

### ***Profit for the Year***

Six months ended June 30, 2020 compared to six months ended June 30, 2019. Our profit for the period decreased by 41.4% to S\$1,486 million (U.S.\$1,065 million) for the six months ended June 30, 2020 from S\$2,534 million for the six months ended June 30, 2019 primarily due to higher allowances.

2019 compared to 2018. Our profit for the year increased by 7.4% to S\$5,022 million (U.S.\$3,728 million) in 2019 from S\$4,675 million in 2018, driven by sustained earnings growth across our banking, wealth management and insurance franchise.

2018 compared to 2017. Our profit for the year increased by 8.8% to S\$4,675 million in 2018 from S\$4,296 million in 2017. This was driven by record earnings from our banking operations, led by income growth, disciplined cost control and lower allowances.

## Financial Condition

### *Total Assets*

June 30, 2020 compared to December 31, 2019. Our total assets increased by 3.7% to S\$510,002 million (U.S.\$365,436 million) as of June 30, 2020 as compared to S\$491,691 million (U.S.\$365,027 million) as of December 31, 2019, primarily due to increase in loans to customers, debt and equity securities, other government treasury bills and securities, derivative receivables and life insurance fund investment assets.

December 31, 2019 compared to December 31, 2018. Our total assets increased by 5.2% to S\$491,691 million (U.S.\$365,027 million) as of December 31, 2019 as compared to S\$467,543 million as of December 31, 2018, primarily due to increase loans to customers, life insurance fund investment assets, and cash and placements with central banks.

December 31, 2018 compared to December 31, 2017. Our total assets increased by 3.3% to S\$467,543 million as of December 31, 2018 as compared to S\$452,693 million as of December 31, 2017, primarily due to increase in loans to customers and life insurance fund investment assets.

### *Loans to customers*

June 30, 2020 compared to December 31, 2019. Our net loans to customers increased by 0.8% to S\$264,391 million (U.S.\$189,446 million) as of June 30, 2020 as compared to S\$262,348 million (U.S.\$194,765 million) as of December 31, 2019. The year-on-year loan growth was led by higher loans to the building and construction, and transport, storage and communication sectors.

December 31, 2019 compared to December 31, 2018. Our net loans to customers increased by 2.7% to S\$262,348 million (U.S.\$194,765 million) as of December 31, 2019 as compared to S\$255,502 million as of December 31, 2018. The year-on-year loan growth was led by higher loans to the manufacturing, building and construction sectors, as well as financial institutions, investment and holding companies.

December 31, 2018 compared to December 31, 2017. Our net loans to customers increased by 8.9% to S\$255,502 million as of December 31, 2018 as compared to S\$234,668 million as of December 31, 2017, primarily due to largely from higher loans to the building and construction sector and financial institutions, investment and holding companies.

### *Placements with and Loans to Banks*

As of June 30, 2020, we had placements with and loans to banks of S\$36,158 million (U.S.\$25,909 million), a 0.8% increase from S\$35,864 million (U.S.\$26,625 million) as of December 31, 2019. As of December 31, 2019, we had placements with and loans to banks of S\$35,864 million (U.S.\$26,625 million), 8.4% lower as compared to S\$39,160 million as of December 31, 2018. As of December 31, 2018, we had placements with and loans to banks of S\$39,160 million, 21.0% lower as compared to S\$49,572 million as of December 31, 2017. Movements in our interbank balances largely reflect the net result of our asset-liability management strategy, the deployment of excess funds as well as our interbank money market activities to capitalize on the interest rate yield curve.

### *Other Income Earning Assets*

Other income earning assets include principally debt and equity securities, cash and placements with central banks and Singapore Government treasury bills and securities.

As of June 30, 2020, we had debt and equity securities of S\$32,213 million (U.S.\$23,082 million), a 10.1% increase from S\$29,253 million (U.S.\$21,717 million) as of December 31, 2019. As of December 31, 2019, we had debt and equity securities of S\$29,253 million (U.S.\$21,717 million), an 11.7% increase from S\$26,185 million as of December 31, 2018. As of December 31, 2018, we had debt and equity securities of S\$26,185 million, a 3.7% increase from S\$25,249 million as of December 31, 2017. See Note 29 of our notes to our audited consolidated financial statements as of and for the financial year ended December 31, 2019 for further information on our debt and equity securities.

As of June 30, 2020, we had cash and placements with central banks of S\$19,698 million (U.S.\$14,114 million), a 15.1% decrease from S\$23,201 million (U.S.\$17,224 million) as of December 31, 2019. As of December 31, 2019, we had cash and placements with central banks of S\$23,201 million (U.S.\$17,224 million), a 23.8% increase from S\$18,748 million as of December 31, 2018. As of December 31, 2018, we had cash and placements with central banks of S\$18,748 million, a 4.3% decrease from S\$19,594 million as of December 31, 2017.

As of June 30, 2020 and December 31, 2019, 2018 and 2017, we had holdings in Singapore Government treasury bills and securities of S\$11,117 million (U.S.\$7,966 million), S\$11,042 million (U.S.\$8,197 million), S\$9,611 million and S\$9,840 million, respectively.

### ***Total Liabilities***

June 30, 2020 compared to December 31, 2019. Our total liabilities increased by 4.0% to S\$460,660 million (U.S.\$330,080 million) as of June 30, 2020 as compared to S\$443,088 million (U.S.\$328,945 million) as of December 31, 2019, primarily due to increase in deposits of non-bank customers, deposits and balances of banks, derivative payables, and life insurance fund liabilities, partly offset by lower debt issued.

December 31, 2019 compared to December 31, 2018. Our total liabilities increased by 4.5% to S\$443,088 million (U.S.\$328,945 million) as of December 31, 2019 as compared to S\$424,151 million as of December 31, 2018, primarily due to higher deposits of non-bank customers, deposits and balances of banks and life insurance fund liabilities.

December 31, 2018 compared to December 31, 2017. Our total liabilities increased by 3.2% to S\$424,151 million as of December 31, 2018 as compared to S\$410,900 million as of December 31, 2017, primarily due to increase in deposits of non-bank customers and life insurance fund liabilities.

### ***Deposits of Non-Bank Customers***

June 30, 2020 compared to December 31, 2019. Our deposits of non-bank customers increased by 2.3% to S\$309,731 million (U.S.\$221,934 million) as of June 30, 2020 as compared to S\$302,851 million (U.S.\$224,834 million) as of December 31, 2019, primarily due to a 19.8% increase in current account and savings deposit ("CASA"), and the ratio of CASA to total non-bank deposits was higher at 56.7% as compared to 48.4% as of December 31, 2019.

December 31, 2019 compared to December 31, 2018. Our deposits of non-bank customers increased by 2.5% to S\$302,851 million (U.S.\$224,834 million) as of December 31, 2019 as compared to S\$295,412 million as of December 31, 2018, primarily due to an increase in CASA, and the ratio of CASA to total non-bank deposits was higher at 48.4% compared to 46.4% a year ago.

December 31, 2018 compared to December 31, 2017. Our deposits of non-bank customers increased by 4.1% to S\$295,412 million as of December 31, 2018 as compared to S\$283,642 million as of December 31, 2017, primarily from higher fixed deposits.

### *Deposits and Balances of Banks*

As of June 30, 2020, we had deposits and balances of banks of S\$12,460 million (U.S.\$8,928 million), a 51.0% increase from S\$8,250 million (U.S.\$6,125 million) as of December 31, 2019. As of December 31, 2019, we had deposits and balances of banks of S\$8,250 million (U.S.\$6,125 million), an 8.9% increase from S\$7,576 million as of December 31, 2018. As of December 31, 2018, we had deposits and balances of banks of S\$7,576 million, a 1.2% increase from S\$7,485 million as of December 31, 2017. Movements in our interbank balances largely reflect the net result of our asset-liability management strategy, as well as our interbank money market activities to capitalize on the interest rate yield curve.

### *Debt Issued*

We actively manage our liquidity and funding positions to diversify our funding sources, including debt issuances. Debt issued included various series of subordinated notes, fixed and floating rate notes, covered bonds, commercial paper and structured notes. See Note 21 of the notes to our audited consolidated financial statements as of and for the financial year ended December 31, 2019 for further details of the debts that we have issued.

June 30, 2020 compared to December 31, 2019. Our debt issued decreased by 19.7% to S\$23,596 million (U.S.\$16,907 million) as of June 30, 2020 as compared to S\$29,388 million (U.S.\$21,817 million) as of December 31, 2019, primarily due to a decrease in commercial papers issued.

December 31, 2019 compared to December 31, 2018. Our debt issued decreased by 2.9% to S\$29,388 million (U.S.\$21,817 million) as of December 31, 2019 as compared to S\$30,272 million as of December 31, 2018, primarily due to redemption of subordinated debt in October 2019.

December 31, 2018 compared to December 31, 2017. Our debt issued decreased by 6.1% to S\$30,272 million as of December 31, 2018 as compared to S\$32,235 million as of December 31, 2017, primarily due to a decrease in commercial papers issued and redemption of a subordinated note in March 2018.

In August 2004, we established a Euro Commercial Paper Program, which was upsized from U.S.\$5.0 billion to U.S.\$10.0 billion in August 2012. In April 2016, we established a U.S.\$15.0 billion U.S. Commercial Paper Program, which was upsized to U.S.\$25.0 billion in September 2018. In November 2016, we established a U.S.\$10.0 billion Global Covered Bond Program. As of June 30, 2020, we had an aggregate of S\$12,003 million (U.S.\$8,601 million) and S\$3,596 million (U.S.\$2,577 million) of commercial papers and covered bonds outstanding, respectively.

### ***Off-Balance Sheet Items***

#### *Contingent Liabilities*

Our contingent liabilities consist of acceptances, guarantees, documentary credits and other similar transactions. Acceptances are undertakings by us to pay on receipt of bills of exchange drawn. We issue guarantees on the performance of customers to third parties. Documentary credits commit us to make payments to third parties on presentation of stipulated documents. As we will only be required to meet these obligations in the event of customer's default, the cash requirements of these instruments are expected to be considerably below their nominal contractual amounts. See Note 43 of the notes to our audited consolidated financial statements as of and for the financial year ended December 31, 2019 for further details of our contingent liabilities.



June 30, 2020 compared to December 31, 2019. Our contingent liabilities decreased by 13.0% to S\$12,131 million (U.S.\$8,692 million) as of June 30, 2020 as compared to S\$13,944 million (U.S.\$10,352 million) as of December 31, 2019.

December 31, 2019 compared to December 31, 2018. Our contingent liabilities increased by 16.5% to S\$13,944 million (U.S.\$10,352 million) as of December 31, 2019 as compared to S\$11,964 million as of December 31, 2018.

December 31, 2018 compared to December 31, 2017. Our contingent liabilities increased by 13.9% to S\$11,964 million as of December 31, 2018 as compared to S\$10,504 million as of December 31, 2017.

#### *Commitments*

Commitments comprise mainly agreements to provide credit facilities to customers. Such commitments can either be made for a fixed period, or have no specific maturity but are cancellable by us subject to notice requirements. See Note 44 of the notes to our audited consolidated financial statements as of and for the financial year ended December 31, 2019 for further details of our commitments.

June 30, 2020 compared to December 31, 2019. Our commitments increased by 8.6% to S\$169,706 million (U.S.\$121,601 million) as of June 30, 2020 as compared to S\$156,293 million (U.S.\$116,030 million) as of December 31, 2019.

December 31, 2019 compared to December 31, 2018. Our commitments increased by 8.7% to S\$156,293 million (U.S.\$116,030 million) as of December 31, 2019 as compared to S\$143,783 million as of December 31, 2018.

December 31, 2018 compared to December 31, 2017. Our commitments increased by 10.3% to S\$143,783 million as of December 31, 2018 as compared to S\$130,383 million as of December 31, 2017.

#### *Derivative Financial Instruments*

We hold derivative financial instruments for both trading and hedging purposes. The contractual or underlying principal amounts of our derivative financial instruments and their corresponding gross positive (derivative receivables) and negative (derivative payables) fair values are provided in Note 18 to our audited consolidated financial statements for the financial year ended December 31, 2019.

June 30, 2020 compared to December 31, 2019. Our derivative financial instruments with contractual or underlying principal amounts increased by 11.6% to S\$1,098,039 million (U.S.\$786,786 million) as of June 30, 2020 as compared to S\$984,036 million (U.S.\$730,539 million) as of December 31, 2019.

December 31, 2019 compared to December 31, 2018. Our derivative financial instruments with contractual or underlying principal amounts decreased by 5.5% to S\$984,036 million (U.S.\$730,539 million) as of December 31, 2019 as compared to S\$1,040,759 million as of December 31, 2018.

December 31, 2018 compared to December 31, 2017. Our derivative financial instruments with contractual or underlying principal amounts increased by 13.2% to S\$1,040,759 million as of December 31, 2018 as compared to S\$919,224 million as of December 31, 2017.

## **Capital Management**

### ***Capital Policy***

The key objective of our capital management policy is to maintain a strong capital position to support business growth and strategic investments, and to sustain investor, depositor, customer and market confidence. In line with this, we target a minimum credit rating of “A” and ensure that our capital adequacy ratios are comfortably above the regulatory minima, while balancing shareholders’ desire for sustainable returns and high standards of prudence. We actively manage our capital composition with an optimal mix of capital instruments in order to keep our overall cost of capital low.

### ***Dividends***

Our dividend policy aims to provide shareholders with a progressive and sustainable dividend that is consistent with our long-term growth. The dividends are payable on a half-yearly basis. Given uncertain outlook surrounding the duration and severity of the COVID-19 outbreak, MAS has issued a guidance on July 29, 2020 for local banks to cap their dividend per share (“DPS”) for financial year 2020 at 60% of financial year 2019’s DPS and apply the scrip dividend scheme for dividends to be paid for financial year 2020. This is to bolster all local banks’ resilience and capacity to support lending to businesses and individuals, as well as absorb economic shocks should a more adverse scenario materialize.

### ***Share Buyback***

Shares purchased under the share buyback program are held as treasury shares. These are recorded as a deduction against share capital, and may be subsequently cancelled, sold or used to meet delivery obligations under employee share schemes. Following MAS’ guidance on April 7, 2020, we have suspended the share buyback. The resumption of share buyback would be subject to MAS lifting its restriction.

### ***Capital Adequacy***

We are required by the MAS to maintain minimum CET1 CAR, Tier 1 CAR and Total CAR of 6.5%, 8.0% and 10.0%, respectively, a capital conservation buffer of 2.5% at CET1 level, and a countercyclical buffer comprising CET1 capital of up to 2.5%. The table below shows the composition of our regulatory capital and capital adequacy ratios at the consolidated Group level. The capital adequacy ratios were determined in accordance with the requirements of MAS Notice 637, which is based on the Basel III framework. For further information on the Basel III Capital Standards, see “Supervision and Regulation – Singapore Banking Industry – The Regulatory Environment” and “Risk Factors – Risks Relating to Our Business – We may face pressure on our capital and liquidity positions due to Basel III or other relevant regulatory requirements, which could constrain our operations”.

The capital adequacy ratio as of December 31, 2017 is computed based on MAS' transitional Basel III rules for 2017 while the capital adequacy ratios as of December 31, 2017, 2018 and 2019 and June 30, 2020 are computed based on the MAS' fully-phased in Basel III rules.

	As of December 31,				As of June 30,	
	2017	2018	2019		2020	
	S\$	S\$	S\$	U.S.\$	S\$	U.S.\$
	<i>(in millions, except for percentages)</i>				<i>(in millions, except for percentages)</i>	
<b>Tier 1 Capital:</b>						
Ordinary shares . . . . .	14,136	15,750	17,261	12,814	17,296	12,393
Disclosed reserves/others . . . . .	18,130	19,219	21,452	15,926	22,204	15,910
Regulatory adjustments . . . . .	(5,359)	(6,901)	(6,913)	(5,132)	(7,624)	(5,463)
Common Equity Tier 1 Capital . . . . .	26,907	28,068	31,800	23,608	31,876	22,840
Additional Tier 1 capital . . . . .	2,985	1,572	1,531	1,137	1,530	1,097
Regulatory adjustments . . . . .	(932)	–	–	–	–	–
Tier 1 Capital . . . . .	28,960	29,640	33,331	24,745	33,406	23,937
Tier 2 Capital . . . . .	4,673	3,347	2,661	1,975	3,320	2,379
Regulatory adjustments . . . . .	(408)	(1)	–	–	–	–
Total Eligible Capital . . . . .	33,225	32,986	35,992	26,720	36,726	26,316
<b>Risk Weighted Assets:</b>						
Credit . . . . .	163,361	171,487	183,439	136,183	197,565	141,563
Market . . . . .	16,130	14,669	14,751	10,951	10,823	7,755
Operational . . . . .	13,591	14,092	15,166	11,259	15,479	11,091
Total risk weighted assets . . . . .	193,082	200,248	213,356	158,393	223,867	160,409
CET1 CAR <sup>(1)</sup> . . . . .	13.9%	14.0%	14.9%	–	14.2%	–
Tier 1 CAR . . . . .	14.9%	14.8%	15.6%	–	14.9%	–
Total CAR . . . . .	17.2%	16.4%	16.8%	–	16.4%	–

**Note:**

(1) CET1 CAR is the ratio of Common Equity Tier 1 Capital to total risk weighted assets.

Great Eastern Holdings and its insurance subsidiaries are not consolidated for the computation of the above capital adequacy ratios, in accordance with the MAS Notice 637 definition of insurance subsidiary. Capital investments in these insurance subsidiaries are deducted from our capital, and their assets are excluded from the computation of our risk-weighted assets.

Great Eastern Holdings' insurance subsidiaries are subject to the capital adequacy requirements of the respective jurisdictions in which they operate. Great Eastern Holdings disclosed that the capital adequacy ratios for its insurance subsidiaries in Singapore and Malaysia remained well above the regulatory minimum ratio under the risk based capital frameworks established by the MAS and Bank Negara, Malaysia respectively.

## Performance Measures

The following table sets forth the return on our equity and other performance measures for the periods indicated.

	Year ended December 31,				Six months ended June 30,		
	2017	2018	2019		2019	2020	
	S\$	S\$	S\$	U.S.\$	S\$	S\$	U.S.\$
	<i>(in millions, except for percentages)</i>				<i>(in millions, except for percentages)</i>		
Profit attributable to equity holders of OCBC Bank. . . .	4,045	4,492	4,869	3,615	2,454	1,428	1,023
Adjusted return on ordinary shareholders' equity <sup>(1)(3)</sup> . . .	11.0%	11.5%	11.2%	11.2%	11.7%	6.1%	6.1%
Adjusted return on assets <sup>(2)(3)</sup> . . . . .	1.11%	1.17%	1.23%	1.23%	1.27%	0.68%	0.68%
Earnings per share for the period basic (S\$) <sup>(4)</sup> . . . . .	0.95	1.06	1.12	–	0.57	0.32	–
Earnings per share for the period diluted (S\$) <sup>(4)</sup> . . . . .	0.95	1.06	1.12	–	57.0	31.76	–
Aggregate declared dividends on ordinary shares <sup>(5)</sup> . . . . .	1,550	1,816	2,313	1,717	1,079	700	501
Declared dividends per ordinary share (Singapore cents) <sup>(5)</sup> . . . . .	37.0	43.0	53.0	–	25.0	15.9	–
Net interest margin . . . . .	1.65%	1.70%	1.77%	1.77%	1.78%	1.68%	1.68%

### Notes:

- (1) Calculated by dividing profit attributable to equity holders of OCBC Bank net of preference share dividends (2017: S\$43 million, 2018: Nil, 2019: Nil, June 30, 2020: Nil) and distributions on other equity instruments (2017: S\$19 million, 2018: S\$19 million, 2019: S\$59 million, June 30, 2020: S\$30 million) over adjusted average ordinary shareholders' equity.
- (2) Calculated by dividing profit attributable to equity holders of OCBC Bank over adjusted average total assets.
- (3) Presented as a non-GAAP measure.
- (4) Calculated by dividing profit attributable to equity holders of OCBC Bank net of preference share dividends (2017: S\$43 million, 2018: Nil, 2019: Nil, June 30, 2020: Nil) and distributions on other equity instruments (2017: S\$19 million, 2018: S\$19 million, 2019: S\$59 million, June 30, 2020: S\$30 million) by the weighted average number of ordinary shares in issue for the financial year.
- (5) Dividends as declared by OCBC Bank. Dividends are aggregate amounts in respect of each financial year, which include interim dividends and final dividends for such year.

## MANAGEMENT

OCBC Bank is governed and supervised by its Board of Directors which, as of June 30, 2020, consists of 11 members. The full Board meets at least four times a year, but may meet more often depending on the circumstances. In addition, there are six Board Committees – the Executive, Nominating, Audit, Remuneration, Risk Management and Ethics and Conduct Committees. Our Constitution provides for the retirement of Directors by rotation and all appointments and re-appointments of Directors are required to be approved by the MAS.

### Board of Directors

The following table sets forth the members of the Board of Directors of OCBC Bank as of the date of this Offering Memorandum:

<u>Name</u>	<u>Position</u>
Mr. Ooi Sang Kuang . . . . .	Director
Mr. Chua Kim Chiu . . . . .	Director
Mr. Koh Beng Seng . . . . .	Director
Dr. Lee Tih Shih . . . . .	Director
Ms. Christina Ong . . . . .	Director
Mr. Quah Wee Ghee . . . . .	Director
Mr. Pramukti Surjaudaja . . . . .	Director
Mr. Tan Ngiap Joo . . . . .	Director
Ms. Tan Yen Yen . . . . .	Director
Mr. Samuel N. Tsien . . . . .	Director
Mr. Wee Joo Yeow . . . . .	Director

**Mr. Ooi Sang Kuang** was first appointed to the Board on February 21, 2012 and last re-elected as a Director on May 18, 2020. He assumed the role of Board Chairman on September 1, 2014. He was Special Advisor in Bank Negara Malaysia until he retired on December 31, 2011. Prior to this, he was Deputy Governor and Member of the Board of Directors of Bank Negara Malaysia, from 2002 to 2010. Mr. Ooi is presently the Board Chairman of Xeraya Capital Sdn Bhd and Xeraya Capital Labuan Ltd. He also serves on the board of OCBC Wing Hang Bank Ltd, Target Value Fund and OCBC Management Services Pte Ltd. Mr. Ooi holds a Bachelor of Economics with Honors from the University of Malaya and a Master of Arts (Development Finance) from Boston University, USA, is a Fellow Member of the Asian Institute of Chartered Bankers and the Singapore Institute of Directors.

**Mr. Chua Kim Chiu** was first appointed to the Board on September 20, 2017 and elected as a Director on April 30, 2018. He is a chartered accountant and currently holds the position of Professor (Practice) in Accounting, National University of Singapore Business School. He had a long and distinguished career at PricewaterhouseCoopers (“PwC”) Singapore where he served as a partner from 1990, headed the banking and capital markets group as well as the China desk, and was appointed a member of the firm’s leadership team in 2005. He retired in 2012, but was retained as senior advisor for PwC Hong Kong until June 2016 when he left to join the National University of Singapore. He is a member of the Audit and Risk Committee of National University Health System Pte Ltd, the Executive Education Advisory Board in National University of Singapore Business School and ACRA Financial Reporting Technical Advisory Panel, and serves as a Board Director of Greenland (Singapore) Trust Management Pte Ltd. Mr. Chua holds a Bachelor of Commerce and Administration with Honors from Victoria University of Wellington, New

Zealand, and a Bachelor of Commerce from Nanyang Technological University (formerly Nanyang University). He is also a Fellow Chartered Accountant of Singapore, a member of Chartered Accountants Australia and New Zealand and a Fellow Chartered Certified Accountant, United Kingdom.

**Mr. Koh Beng Seng** was appointed to the Board on October 1, 2019 and elected as a Director on May 18, 2020. He has extensive experience in the financial services sector and is presently the Chief Executive Officer of Octagon Advisors Pte Ltd and serves as Chairman of Great Eastern Holdings Ltd and its principal insurance subsidiaries. He served 24 years with the MAS where his last appointment was Deputy Managing Director, Banking and Financial Institution Group. After leaving MAS in 1998, he held key positions in many notable organizations. Mr. Koh presently serves on the Board of Bank of China (Hong Kong) Limited and BOC Hong Kong (Holdings) Limited. He is also a Member of the Expert Committee of China Banking Association in China, Lien Ying Chow Legacy Fellowship Council and International Advisory Board of Lingnan (University) College, Sun Yat-sen University in China. Mr. Koh holds a Bachelor of Commerce with First Class Honors from the Nanyang Technological University (formerly Nanyang University) and a Master of Business Administration from Columbia University, USA.

**Dr. Lee Tih Shih** was first appointed to the Board on April 4, 2003 and last re-elected as a Director on May 18, 2020. He is presently an Associate Professor at the Duke-NUS Medical School in Singapore. He has previously served in senior positions at both OCBC Bank from 1993 to 1998 and the MAS from 1998 to 2000. He is a Director of Lee Foundation, Selat (Pte) Ltd and Singapore Investments (Pte) Ltd. Dr. Lee graduated with M.D. and Ph.D. degrees from Yale University, New Haven. He also holds a Master of Business Administration with Distinction from Imperial College, London. Dr. Lee is a Fellow at the Royal College of Physicians of Edinburgh.

**Ms. Christina Ong** was first appointed to the Board on February 15, 2016 and last re-elected as a Director on April 29, 2019. She is presently Senior Partner and Chairman of Allen & Gledhill LLP as well as the Co-Head of its Financial Services Department. Ms. Ong is a lawyer and has been in Allen & Gledhill since 1987. She provides corporate and corporate regulatory and compliance advice, particularly to listed companies. Her areas of practice include banking, securities offerings, securities regulations, investment funds, capital markets, and corporate finance. She serves as a Board Director of several companies, including Allen & Gledhill Regulatory & Compliance Pte Ltd, Eastern Development Pte Ltd, Eastern Development Holdings Pte Ltd, Epimetheus Ltd, Hongkong Land Holdings Ltd, SIA Engineering Company Ltd and Singapore Telecommunications Ltd. She is also a member of the Supervisory Committee of ABF Singapore Bond Index Fund, Catalist Advisory Panel, MAS Corporate Governance Advisory Committee, and a trustee of The Stephen A Schwarzman Scholars Trust. Ms. Ong holds a Bachelor of Laws (Second Upper Class Honors) from the University of Singapore, and is a Member of the Law Society of Singapore and International Bar Association.

**Mr. Quah Wee Ghee** was first appointed to the Board on January 9, 2012 and last re-elected as a Director on April 29, 2019. He began his career at IBM in 1987, joined the Government of Singapore Investment Corporation (“**GIC**”), where he last held the position of President of Public Markets. He also served as a Director of GIC and was the Managing Director and President of GIC Asset Management Pte Ltd from 2007 to 2011. He is presently a Partner/Managing Member of Avanda LLP Singapore, an Executive Director of Avanda Investment Management Pte Ltd, and a Board Director of several companies, including Bank of Singapore Ltd, The Great Eastern Life Assurance Co Ltd, Great Eastern General Insurance Ltd, Cypress Holdings Pte Ltd and Grand Alpine Enterprise Ltd. He also serves as an advisor to Wah Hin & Company (Pte) Ltd’s Investment Committee. Mr. Quah holds a Bachelor of Engineering (Civil) from the National University of Singapore, is a Chartered Financial Analyst, and an alumni member of the Stanford Graduate Business School.

**Mr. Pramukti Surjaudaja** was first appointed to the Board on June 1, 2005 and last re-elected as a Director on April 30, 2018. He has been with OCBC NISP for 32 years, holding key positions, including President Director, and is presently Board President Commissioner of the bank. He also serves as the Deputy Chairman of the Board of Supervisors of the Indonesian Overseas Alumni, a Board Commissioner of PT Biolaborindo Makmur Sejahtera, a Council Member of INSEAD, Southeast Asia, and a Member of the Parahyangan Catholic University's Board of Advisors and Karya Salemba Empat Foundation's Board of Trustees. Mr. Pramukti holds a Bachelor of Science (Finance and Banking) from San Francisco State University, a Master of Business Administration (Banking) from Golden Gate University and has participated in Special Programs in International Relations at the International University of Japan.

**Mr. Tan Ngiap Joo** was first appointed to the Board on September 2, 2013 and last re-elected as a Director on April 29, 2019. He had a long career of 37 years as a banker. He spent 20 years in Citibank N.A. serving in various capacities, including Senior Risk Manager of Citibank Australia and postings overseas prior to joining the OCBC Group in August 1990, where he held senior positions over the years, including Chief Executive of OCBC's Australian operations, and Head, Group Business Banking and was appointed Deputy President in December 2001. He retired in December 2007. He is presently Chairman of the Investment Committee of MASCOT Private Trust. He is a Board Chairman of OCBC Bank (Malaysia) Berhad and OCBC Al-Amin Bank Berhad and also serves on the Board of OCBC Management Services Pte Ltd and Gemstone Asset Holdings Pte Ltd. Mr. Tan holds a Bachelor of Arts degree from the University of Western Australia.

**Ms. Tan Yen Yen** was appointed to the Board on January 1, 2020 and elected as a Director on May 18, 2020. She is the Chairman of the Singapore Science Centre and a Board Director of Singapore Press Holdings Ltd, among other appointments. Her past experiences included IT and IT-related positions in SAS Institute Inc, Oracle Corporation and Hewlett-Packard Singapore, and she has played an active role in Singapore's infocomm industry. She was the President (Asia Pacific) of Vodafone Enterprise Singapore Pte Ltd until she left in April 2020. Ms. Tan is presently a Board Director of ams AG, Galboss Asia Pte Ltd, and XY Maxwell Pte Ltd. She also serves as Chairman of the SpexBusiness Network Advisory Board Committee of Ministry of Culture, Community and Youth (High Performance Sports), is a Member of National University of Singapore (School of Computing)'s Board of Advisors, and is an Advisor Mentor to TNF Ventures Pte Ltd. Ms. Tan holds a Bachelor of Science (Computer Science) from the National University of Singapore and an Executive MBA from Helsinki School of Economics Executive Education.

**Mr. Samuel N. Tsien** was first appointed to the Board on February 13, 2014 and last re-elected as a Director on April 29, 2019. He was appointed Group CEO on April 15, 2012. He joined OCBC Bank in July 2007 as Senior Executive Vice President, managing the Group's corporate and commercial banking business. In 2008, he assumed the position as Global Head of Global Corporate Bank with added responsibilities of overseeing the financial institution and transaction banking businesses. He has 42 years of banking experience. Prior to joining OCBC Bank, he was the President and CEO of China Construction Bank (Asia) when China Construction Bank acquired Bank of America (Asia). From 1995 to 2006, he was President and CEO of Bank of America (Asia), and Asia Consumer and Commercial Banking Group Executive of Bank of America Corporation. Mr. Tsien is presently a Board Commissioner of OCBC NISP, and a Board Director of major OCBC Group companies, including Great Eastern Holdings Ltd, Bank of Singapore Ltd, OCBC Bank (Malaysia) Berhad, OCBC Wing Hang Bank Ltd, OCBC Wing Hang Bank (China) Ltd and OCBC Overseas Investments Pte Ltd. He is also a Board Director of ASEAN Bankers Association, Mapletree Investments Pte Ltd and Dr. Goh Keng Swee Scholarship Fund, Chairman of the ABS, and a Member of the Advisory Board of the Asian Financial Lenders Program, the Financial Sector Tripartite Committee, MAS Payments Council and National Jobs Council. He also serves on the MAS Financial Centre Advisory Panel as a Member and the China Workgroup as Chairman, the Institute of Banking & Finance Singapore ("IBF") as Vice Chairman and the Standards Committee as Chairman, and the MAS Steering Committee for SGD SOR Transition to

SORA as Chairman. Mr. Tsien holds a Bachelor of Arts with Honors in Economics from the University of California, Los Angeles.

**Mr. Wee Joo Yeow** was first appointed to the Board on January 2, 2014 and last re-elected as a Director on May 18, 2020. He has more than 39 years of corporate banking experience. He was Managing Director & Head of Corporate Banking Singapore with United Overseas Bank Ltd until his retirement in June 2013. Prior to that, he was Executive Vice President & Head of Corporate Banking with Overseas Union Bank Ltd, and Head Credit & Marketing with First National Bank of Chicago (Singapore). He is presently a Board Director of Frasers Property Ltd, Great Eastern Holdings Ltd, WJY Holdings Pte Ltd and WTT Investments Pte Ltd. Mr. Wee holds a Bachelor of Business Administration (Honors) from the University of Singapore and a Master of Business Administration from New York University, USA.

### **Board Committees**

The composition of our Board Committees satisfies the independence requirements of the Banking (Corporate Governance) Regulations 2005, Banking (Corporate Governance) (Amendment) Regulations 2010, corporate governance guidelines issued by the MAS and the Code of Corporate Governance 2018 (the “**2018 Code**”) adopted by the SGX-ST.

#### ***Executive Committee***

The Executive Committee comprises Mr. Ooi Sang Kuang (Chairman), Dr. Lee Tih Shih, Mr. Quah Wee Ghee, Mr. Tan Ngiap Joo, Mr. Samuel N. Tsien and Mr. Wee Joo Yeow. The Executive Committee has written terms of reference that describe the responsibilities of its members.

The Executive Committee oversees – within the parameters delegated by the Board – the management of the business and affairs of OCBC Bank and the OCBC Group. It reviews our policies, principles, strategies, values, objectives and performance targets. These include investment and divestment policies. It also endorses such other matters and initiates such special reviews and actions as appropriate for the prudent management of OCBC Bank.

#### ***Nominating Committee***

The Nominating Committee comprises Mr. Wee Joo Yeow (Chairman), Mr. Ooi Sang Kuang, Ms. Christina Ong, Mr. Pramukti Surjandaja and Mr. Tan Ngiap Joo. The Nominating Committee has written terms of reference that describe the responsibilities of its members.

The Nominating Committee plays a vital role in reinforcing the principles of transparency and meritocracy at OCBC Bank. It plans for board succession and ensures that only the most competent individuals capable of contributing to the success of the organization are appointed. This includes review of all nominations for the appointment, election or re-election – as well as resignations or retirement – of our Directors and members of the Executive Committee, Remuneration Committee, Audit Committee, Risk Management Committee and Ethics and Conduct Committee. The Nominating Committee is also charged with determining annually whether or not a Director is independent, capable of carrying out the relevant duties and qualified to remain in office. In addition, it reviews nominations for and dismissals or resignations of senior management positions in OCBC Bank, including the CEO, Deputy President, Chief Financial Officer, Chief Risk Officer and Chief Information Officer (Head, Group Operations and Technology). It makes recommendations to the Board on all such appointments, including the compensation package for offer of employment, promotion and cessation of employment. The Nominating Committee reviews obligations arising in the event of the termination of the contracts of service of executive directors and senior management, to ensure such contracts contain fair and reasonable termination clauses.



The Nominating Committee establishes annually the profile required of Board members, having regard to the competencies and skills required, and makes recommendations to the Board on the appointment of new Directors, when necessary. When the need for a new Director is identified, the Nominating Committee will prepare a shortlist of candidates with the appropriate profile and qualities for nomination. The Nominating Committee may engage external search consultants to search for the Director. The Board reviews the recommendation of the Nominating Committee and appoints the new Director, subject to the approval of MAS. In accordance with our Constitution, the new Director will hold office until the next AGM and if eligible, may then stand for re-election.

### ***Audit Committee***

The Audit Committee comprises Mr. Chua Kim Chiu (Chairman), Mr. Ooi Sang Kuang, Mr. Tan Ngiap Joo and Ms. Tan Yen Yen. Three members, including the Chairman, have recent and relevant accounting or related financial management expertise or experience.

The Audit Committee performs the functions specified in the Companies Act, Chapter 50 of Singapore, (the “**Companies Act**”), the 2018 Code, the Listing Manual of the SGX-ST and MAS’ corporate governance regulations and guidelines.

The Audit Committee has written terms of reference that describe the responsibilities of its members. The Board approves the terms of reference of the Audit Committee. The Audit Committee may meet at any time and no fewer than four times a year. It has full access to and co-operation from management, and has the discretion to invite any Director and executive officer to attend its meetings. It has explicit authority to investigate any matter within its terms of reference.

In addition to the review of the Group Financial Statements, the Audit Committee reviews and evaluates, with the external auditors and internal auditors, the adequacy and effectiveness of the system of internal controls including financial, operational, compliance and information technology controls, and risk management policies and systems. It reviews the scope and results of the audits, the cost-effectiveness of the audits, and the independence and objectivity of the external auditors and internal auditors. When the external auditors provide non-audit services to us, the Audit Committee keeps the nature, extent and costs of such services under review. This is to balance the objectivity of the external auditors against their ability to provide value-for-money services. The Audit Committee members keep abreast of changes to accounting standards and development of related significant accounting policies which have a direct impact on financial statements and Group accounting policies through briefings provided by internal or external subject matter experts. The Audit Committee also reviews significant financial reporting issues and judgments to ensure the integrity of the financial statements. The Audit Committee reviews announcements relating to financial performance.

The Audit Committee reviews our whistleblowing policy as well as any concerns, including anonymous complaints, which staff may in confidence raise about possible improprieties in matters of financial reporting or other matters. The Audit Committee will ensure such concerns are independently investigated and followed up on. If it is found that there has been fraud, appropriate remedial action will be taken and the Audit Committee updated regularly on its status. The whistleblower’s interests will be safeguarded at all times, including the right to appeal to the Audit Committee if reprisals are taken against him.

The Audit Committee meets at least once a year with the external auditors and internal auditors in separate sessions and without the presence of management, to consider any matters which might be raised privately. In addition, the Chairman of the Audit Committee meets the head of internal audit on a regular basis to discuss the work undertaken, key findings and any other significant matters arising from the OCBC Group’s operations. Formal reports are sent to the Audit Committee on a regular basis. The Audit Committee has received the requisite disclosures from

the external auditors evidencing their independence. It is satisfied that the financial, professional and business relationships between the OCBC Group and the external auditors will not prejudice the independence and objectivity of the external auditors. The aggregate amount of fees paid to the external auditors for financial year 2019, and the breakdown of total fees paid for audit and non-audit services are shown in the financial statements.

Where appropriate, the Audit Committee has adopted relevant best practices set out in the Guidebook for Audit Committees in Singapore.

The Audit Committee approves the terms of reference of internal audit (Group Audit) and reviews the adequacy and effectiveness of the internal audit function at least annually. In line with leading practice, Group Audit's mission statement and charter requires it to provide independent and reasonable, but not absolute, assurance that the Group's governance, risk management and internal control processes – as designed and implemented by senior management – are adequate and effective. Group Audit reports on the adequacy of the system of internal controls to the Audit Committee and management, but does not form any part of the system of internal controls. Group Audit meets or exceeds the International Standards for the Professional Practice of Internal Auditing of The Institute of Internal Auditors.

Group Audit adopts a risk-based approach where audit work is prioritized and scoped according to an assessment of current and emerging risks, including financial, operational, technology, cyber, compliance and strategic risks. The work undertaken by Group Audit involves the assessment of the adequacy and effectiveness of the OCBC Group's governance, risk management and internal control processes in meeting its strategic objective and operating within the risk appetite established. In addition, Group Audit provides an independent assessment of the OCBC Group's credit portfolio quality and credit risk management process. Without assuming management responsibility, Group Audit may provide consultative services to line management on certain business initiatives as well as system developments and enhancements where the objective is to add value and improve governance, risk management and controls.

The Audit Committee is responsible for the adequacy and independence of the internal audit function, its resources, and its standing and effectiveness. The Audit Committee ensures that processes are in place for recommendations raised in internal audit reports to be dealt with in a timely manner and for outstanding exceptions or recommendations to be closely monitored. Group Audit is staffed with individuals with the relevant qualifications and experience. It reports functionally to the Audit Committee and administratively to the CEO, has unfettered access to the Audit Committee, Board and senior management, and has the right to seek information and explanations. The division is organized into departments that are aligned with the structure of the OCBC Group. The Audit Committee approves the appointment, resignation, retirement, removal and remuneration of the Head of Group Audit.

### ***Remuneration Committee***

The Remuneration Committee comprises Mr. Tan Ngiap Joo (Chairman), Mr. Ooi Sang Kuang, Mr. Koh Beng Seng, Ms. Christina Ong, Ms. Tan Yen Yen and Mr. Wee Joo Yeow. All members are well-versed in executive compensation matters, given their extensive experience in senior corporate positions and major appointments. The Remuneration Committee has written terms of reference that describe the responsibilities of its members.

The Remuneration Committee recommends to the Board a framework for determining the remuneration of executive officers, and reviews the remuneration practices to ensure that they are aligned with the approved framework. It is empowered to review the human resources management policies and the policies governing the compensation of executive officers of OCBC Bank and our subsidiaries, as well as the remuneration of senior executives and Directors. In addition, the Remuneration Committee administers the various employee share ownership schemes. In its deliberations, the Remuneration Committee takes into account remuneration principles, practices and standards that may be specified by MAS from time to time.

### ***Risk Management Committee***

The Risk Management Committee, which supports the Board in performing its risk oversight responsibilities, comprises Mr. Koh Beng Seng (Chairman), Mr. Ooi Sang Kuang, Mr. Chua Kim Chiu, Mr. Samuel N. Tsien and Mr. Wee Joo Yeow. Members of the Risk Management Committee have relevant technical financial understanding in risk disciplines or business experience. The Risk Management Committee has written terms of reference that describe the responsibilities of its members.

The Risk Management Committee reviews the overall risk management philosophy, approves risk management framework and major policies, as well as reviews the risk profile, risk tolerance level and risk strategy of the Bank for effective risk management. The Risk Management Committee reviews the scope, effectiveness and objectivity of Group Risk Management, the risk reports that monitor and control risk exposures, and risk disclosure policy and risk management principles for the approval of the Board. It also oversees the establishment and operation of an independent risk management system for identifying, measuring, monitoring, controlling and reporting risks on an enterprise-wide basis, including ensuring the adequacy of risk management practices for material risks.

### ***Ethics and Conduct Committee***

The Ethics and Conduct Committee, which supports the Board in overseeing ethics and conduct within OCBC Bank, comprises Mr. Ooi Sang Kuang (Chairman), Dr. Lee Tih Shih, Ms. Christina Ong and Mr. Pramukti Surjaudaja. The Ethics and Conduct Committee has written terms of reference that describe the responsibilities of its members.

The Ethics and Conduct Committee reviews and assesses the state and implementation of ethics and conduct programmes and initiatives, including matters relating to fair dealing with customers, to ensure proper behaviour within OCBC Bank in respect of ethics and conduct. It also reviews policies and guidelines pertaining to ethics and conduct to ensure they are relevant and up to date, and reviews communications to stakeholders on ethics and conduct and their effectiveness with regard to the reputation of OCBC Bank. The Ethics and Conduct Committee supports a strong and responsible organization culture firmly founded on OCBC Bank's core values.

## **Remuneration Policy**

### ***Directors' Remuneration***

The Remuneration Committee recommends the remuneration for our executive Directors and non-executive Directors. The remuneration for non-executive Directors is subject to shareholders' approval at the AGM.

### ***Compensation of Non-Executive Directors***

Our remuneration for non-executive Directors is intended to attract capable individuals to our Board, as well as retain and motivate them in their roles as non-executive Directors. It aligns their interest with those of shareholders, is competitive in the region and recognizes individual contributions.

The Remuneration Committee has considered market practices for non-executive director compensation. On its recommendation, the Board has decided the following fee structure to compute the annual fee for each non-executive Director of OCBC Bank:

- (a) Board Chairman's fee of S\$1,400,000;
- (b) Retainer fee of S\$45,000;
- (c) Committee chairperson's fee of S\$70,000 for Audit, Risk Management and Executive Committees, and S\$40,000 for Nominating, Remuneration, and Ethics and Conduct Committees;
- (d) Committee member's fee of S\$40,000 for Audit, Risk Management and Executive Committees, and S\$20,000 for Nominating, Remuneration, and Ethics and Conduct Committees (committee chairpersons are not awarded these fees); and
- (e) Attendance fee of S\$3,000 per meeting.

At the annual general meeting held on May 18, 2020, shareholders approved the grant of 6,000 remuneration shares to each non-executive Director. The remuneration shares align the interests of non-executive Directors with the interests of shareholders. Any non-executive Director who has served on the Board for less than a full financial year will be awarded shares on a pro-rated basis, depending on the length of service.

### ***Compensation of Executive Directors***

The compensation for executive Directors is formulated and reviewed annually by the Remuneration Committee to ensure that it is market competitive and that the rewards are commensurate with the contributions made. The compensation package comprises basic salary, benefits-in-kind, performance bonus, share awards and compensation in the event of early termination where service contracts are applicable. Performance bonus relate directly to the financial performance of the Group and the contributions of the executive Director. The guidelines on the granting of share awards to executive Directors are similar to those for the executives of the Bank.

### ***Remuneration of Directors' and CEO's Immediate Family***

Mr Pramukti Surjaudaja, a Director of the Bank, has a sister, Ms Parwati Surjaudaja, who is chief executive of the Bank's subsidiary, PT Bank OCBC NISP Tbk. Her personal remuneration in 2019 exceeds S\$100,000. Apart from Ms Parwati Surjaudaja, none of the Group's employees was an immediate family member of a Director or the CEO in 2019.

## Remuneration of Directors and Chief Executive Officer in 2019

The below table shows our Directors' and CEO's remuneration in 2019:

Director	Fees	Shares <sup>(1)</sup>	Other Benefits <sup>(2)</sup>	Total
S\$				
Ooi Sang Kuang . . . . .	1,592,411	50,160	54,454	1,697,025
Chua Kim Chiu . . . . .	203,000	50,160	4,237	257,397
Koh Beng Seng . . . . .	35,465	12,640	–	48,105
Lai Teck Poh . . . . .	238,000	50,160	4,237	292,397
Lee Tih Shih . . . . .	168,795	50,160	4,237	223,192
Christina Ong . . . . .	168,794	50,160	4,237	223,191
Quah Wee Ghee . . . . .	136,795	50,160	353	187,308
Pramukti Surjaudaja . . . . .	117,999	50,160	–	168,159
Tan Ngiap Joo . . . . .	248,000	50,160	4,237	302,397
Wee Joo Yeow . . . . .	248,000	50,160	4,237	302,397
	<u>3,157,259</u>	<u>464,080</u>	<u>80,229</u>	<u>3,701,568</u>

Director & CEO	Salary	Bonus	Deferred Shares	Other Benefits <sup>(2)</sup>	Total
S\$					
Samuel N. Tsien	1,242,400	5,841,000	3,894,000	102,157	11,079,557

### Notes:

- (1) Value of remuneration shares was estimated based on closing price of ordinary shares on March 20, 2020, i.e. S\$8.36 per share.
- (2) Non-cash component such as club and car benefits for Mr. Ooi Sang Kuang and Mr. Samuel N. Tsien and carparks for Directors.

Mr. Lai Teck Poh resigned from the Board of Directors of the Bank on January 1, 2020. Ms. Tan Yen Yen was appointed to the Board of Directors of the Bank on January 1, 2020.

## Senior Management

The following table sets forth the senior management of OCBC Bank as of the date of this Offering Memorandum:

Name	Position
Mr. Samuel N. Tsien . . . . .	Group Chief Executive Officer
Mr. Ching Wei Hong . . . . .	Deputy President
Ms. Helen Wong . . . . .	Deputy President
Mr. Darren Tan Siew Peng . . . . .	Chief Financial Officer

Name	Position
Mr. Kenneth Lai <sup>1</sup>	Head, Global Treasury
Mr. Lam Kun Kin <sup>1</sup>	Head, Global Treasury
Mr. Vincent Choo Nyen Fui	Chief Risk Officer and Head, Group Risk Management
Mr. Linus Goh Ti Liang	Head, Global Commercial Banking
Ms. Elaine Lam	Head, Global Corporate Banking
Mr. Na Wu Beng	CEO, OCBC Wing Hang
Mr. Wang Ke	CEO, OCBC Wing Hang Bank
Mr. Bahren Shaari	CEO, Bank of Singapore
Mr. Tan Wing Ming	Regional General Manager for North East Asia
Mr. Ong Eng Bin	CEO, OCBC Malaysia
Ms. Parwati Surjaudaja	President Director and CEO, OCBC NISP
Mr. Gan Kok Kim	Head, Global Investment Banking
Mr. Sunny Quek	Head, Consumer Financial Services Singapore
Mr. Tan Chor Sen	Head, Global Enterprise Banking – International
Mr. Jason Ho Poh Wah	Head, Group Human Resources
Mr. Lim Khiang Tong	Head, Group Operations and Technology
Ms. Goh Chin Yee	Head, Group Audit
Ms. Loretta Yuen	Head, Group Legal and Regulatory Compliance
Mr. Peter Yeoh	Head, Group Secretariat
Mr. Vincent Soh	Head, Group Property Management
Mr. Melvyn Low	Head, Global Transaction Banking
Ms. Koh Ching Ching	Head, Group Brand and Communications

**Mr. Samuel N. Tsien's** biography is included under “Board of Directors” above.

**Mr. Ching Wei Hong** was appointed Deputy President on January 9, 2020 and was previously the Chief Operating Officer from April 2012. He is also currently the Chairman of Bank of Singapore, OCBC Securities and Network for Electronic Transfers (Singapore) as well as Deputy Chairman of Lion Global Investors. In his capacity as Deputy President of OCBC Bank, he is responsible for the Global Wealth Management and Consumer Banking Division, focusing on building the OCBC Group's consumer banking franchise, wealth management and private banking business in its key markets in Asia. Mr. Ching also oversees Group Customer Experience and OCBC Bank's fintech and innovation unit, The Open Vault at OCBC. In his tenure with OCBC Bank, he has held senior management responsibilities across various roles including Chief Financial Officer, Head of Group

<sup>1</sup> On July 9, 2020, OCBC bank announced the appointment of Mr. Kenneth Lai as the new Head of Global Treasury, who will take over from Mr. Lam Kun Kin starting October 1, 2020.

Operations and Technology and Head of Transaction Banking. Mr. Ching has more than 35 years of experience in regional finance, corporate banking and cash management. Before joining OCBC, he was Director of Corporate Finance, Philips Electronics Asia Pacific. He also held senior regional assignments in Bank of America and was Treasurer of Union Carbide Asia Pacific. Mr. Ching holds a Bachelor of Business Administration from the National University of Singapore.

**Ms. Helen Wong** was appointed as Deputy President on February 3, 2020. As the Head of Global Wholesale Banking, she has global responsibility for all banking relationships with small-and medium-sized enterprises, large corporates and financial institutions; two product groups – cash management and trade under the transaction banking business; as well as the investment banking business. Ms. Wong has more than 35 years of banking experience, having started out as a Management Trainee in OCBC Bank and was its first China Desk Manager, based at the Hong Kong Branch. She has vast experience in Greater China, covering a wide range of roles in capital markets, syndicated finance and corporate banking. Before returning to OCBC Bank, Ms. Wong spent 27 years at HSBC, where her last role was as its Chief Executive for Greater China, which she was appointed to in 2015. She became the President and CEO of HSBC China based in Shanghai in 2010 and was promoted to be Group General Manager in 2011 to recognise her responsibility for the entire business operations and strategic expansion in China. She also held non-executive directorships at Baoshan Iron & Steel from 2012 to 2015, and at Bank of Communications from 2016 to 2019. Ms Wong holds a Bachelor of Social Sciences from the University of Hong Kong.

**Mr. Darren Tan Siew Peng** was appointed Executive Vice President and Chief Financial Officer (“CFO”) in December 2011. As CFO, he oversees financial, regulatory and management accounting and advisory, treasury financial control and advisory, corporate treasury, funding and capital management, corporate planning and development and investor relations. He joined OCBC Bank in March 2007 as Head of Asset Liability Management in Global Treasury and assumed the role of Deputy CFO in May 2011. Prior to joining OCBC, Mr. Tan worked for 13 years in the GIC with his last position in GIC as Head of Money Markets. He serves as a board member of the Inland Revenue Authority of Singapore. He is also a council member of the Institute of Singapore Chartered Accountants and an Adjunct Professor at Nanyang Business School. Mr. Tan graduated with First Class Honors in Accountancy from Nanyang Technological University and is a Chartered Financial Analyst and a Fellow Chartered Accountant of Singapore.

**Mr. Kenneth Lai** has been appointed as the new Head of Global Treasury on July 9, 2020, taking over Mr. Lam Kun Kin with effect from October 1, 2020. Throughout his long career of 30 years, Mr. Lai has worked in different geographies in Asia and different functions across trading, sales and asset liability management. He joined OCBC bank in February 2012 as Head of International Treasury and has been responsible for OCBC Bank’s asset and liability management globally since 2015. Before joining OCBC, Mr Lai. worked for Ta Chong Bank in Taiwan, where he was appointed as Head of Financial Markets by the Carlyle Group to help revamp its investment buy out. Between 2001 and 2008, he held several key appointments with ABN AMRO bank in Singapore including Asia Head of Local Markets FX and Asia Head of Institutional Sales, as well as its Head of Global Markets Malaysia based in Kuala Lumpur. Mr Lai. started his career at Banker Trust Company and has also worked for other financial institutions including Merrill Lynch and Canadian Imperial Bank of Commerce. Mr. Lai served on the SFEMC’s Foreign Exchange sub-committee from 2003 to 2004 and was ACI Singapore’s deputy president between 2004 and 2006. He is also a member of the IBF’s Financial Markets Regulatory Practices examination board and a member of the MAS-sponsored Singapore Financial Leaders Network. Mr. Lai graduated with a degree in Finance from Virginia Tech.

**Mr. Lam Kun Kin** was appointed Head of Global Treasury in January 2007 and Senior Executive Vice President in April 2011. He has global responsibility for OCBC Bank's financial market businesses and asset liability management in Singapore, Malaysia, Indonesia, Hong Kong SAR, China and seven other overseas centres. From 2012 to early 2020, he also held the additional responsibility of overseeing the Bank's Global Investment Banking division, covering capital markets, corporate finance and mezzanine capital business. Mr. Lam has more than 32 years of banking and investment management experience covering global fund management, global markets sales and trading, global investment banking and Asian financial market businesses. Currently, he serves on the boards of Bank of Singapore, OCBC Securities, AVIC Trust and REACH Community Services Society. Mr. Lam also serves on Great Eastern Group's Asset/Liability Committee and Investment Committee, and the GIC Board Risk Committee and the Association of Banks Singapore Benchmark Administration Oversight Committee. Prior to joining OCBC Bank, Mr. Lam held various senior management positions in GIC, Citibank and Temasek Holdings. In September 2014, he was appointed by the MAS as Co-Chairman of the SFEMC and concurrently chaired the SIBOR benchmark working committee since 2018. He holds a Bachelor of Accountancy with Honors from the National University of Singapore and is a Chartered Financial Analyst, Fellow Chartered Accountant of Singapore, IBF Distinguished Fellow and member of the Singapore Institute of Directors. On July 9, 2020, OCBC bank announced the appointment of Mr. Kenneth Lai as the new Head of Global Treasury, who will take over from Mr. Lam starting October 1, 2020.

**Mr. Vincent Choo Nyen Fui** was appointed Head of Group Risk Management on August 1, 2014. As Chief Risk Officer, he covers the full spectrum of risk, including Credit, Technology and Information Security, Liquidity, Market and Operational risk management. He reports jointly to both Group CEO and the Board Risk Management Committee of OCBC Bank. Mr. Choo joined OCBC Bank from Deutsche Bank AG where his last appointment was Managing Director and Chief Risk Officer for Asia Pacific. In his 20 years at Deutsche Bank AG, he served in a number of senior roles including Head of Market Risk Management for Asia Pacific, with additional responsibilities for Traded Credit Products, and Head of New Product Approval for Asia. He holds a Master of Arts in Economics from University of Akron.

**Mr. Linus Goh Ti Liang** was appointed the Head of Global Commercial Banking in April 2012. In this capacity, he has global responsibility for OCBC Bank's commercial, institutional and transaction banking businesses. He joined OCBC Bank in April 2004 as Executive Vice President and Head of International, and in August 2008, he assumed responsibility for Global Enterprise Banking and Financial Institutions. Mr. Goh has over 30 years of banking experience, including 17 years at Citibank, N.A. Singapore, where he held several senior management positions overseeing corporate banking, financial institutions, e-business and transaction banking. Mr Goh serves as a board member of the investment arm of Enterprise Singapore, Seeds Capital Private Limited. He also sits on the Pro-Enterprise Panel under the Ministry of Trade and Industry and the SME Committee under the Singapore Business Federation where he chairs the sub-committee on SME Financing and Cost Competitiveness. Mr. Goh holds a Bachelor of Arts (Philosophy) with Honors from the National University of Singapore and is an IBF Distinguished Fellow.

**Ms. Elaine Lam** was appointed Head of Global Corporate Banking in April 2016. She is responsible for OCBC Bank's corporate banking business which spans Real Estate, Wholesale Corporate Marketing, Global Commodities Finance as well as OCBC Bank's corporate banking business in all overseas offices. With more than 20 years of experience in corporate banking, Ms. Lam also serves in the IBF's Corporate Banking Workgroup and the Financial Industry Competency Standards' Corporate Banking Working Group. Ms. Lam holds a Bachelor of Accountancy (Honors) from the Nanyang Technological University and is an IBF Fellow (Corporate Banking).



**Mr. Na Wu Beng** was appointed CEO of OCBC Wing Hang Bank in August 2014. Prior to this appointment, he was Deputy President Director of Bank OCBC NISP for 10 years. Mr Na assumed the role of Chairman of OCBC Wing Hang Bank (China) in February 2020. Mr. Na joined OCBC Bank in 1990 as the General Manager of OCBC Bank's Hong Kong branches. He returned to Singapore in 1999 to take on the role of Head of North Asia overseeing the bank's operations in Hong Kong SAR, China, Taiwan, Korea and Japan. From 2000 to 2004, before his posting to Bank OCBC NISP, he headed OCBC Bank's international banking division and was responsible for branches across eight countries. Mr. Na was appointed Executive Vice President in 2001. Before joining OCBC Bank, he was at International Bank of Singapore for 11 years, where he was based in Taiwan for seven years. He holds a Bachelor of Arts (Economics) with Honors from Coventry University, in the United Kingdom.

**Mr. Wang Ke** was appointed CEO of OCBC Wing Hang Bank (China) on December 9, 2019. He joined OCBC Wing Hang Bank (China) as Chief Information Officer and Head of IT Department in 2012, and assumed the expanded role as Head of Operations and Technology afterwards. Prior to his current role, Mr. Wang was the Regional General Manager of the Pearl River Delta region and was appointed as the Deputy President of OCBC Wing Hang China in March 2015. Mr. Wang is conversant with foreign companies' business models in China and has intimate knowledge of the local market and regulations. As an indispensable member of bank's top management, he participated in the strategy formulating, led the implementation of many strategic projects and achieved fruitful results. He has over 20 years of international banking working experience spanning a wide spectrum of fields in China, United States and Singapore. Before joining OCBC Wing Hang Bank (China) Limited, Mr. Wang held several senior positions in JPMorgan Chase & Co., McKinsey & Company and United Overseas Bank (China) Limited, where he oversaw the operations, technology and Risk Management and accumulated rich and comprehensive experience in the international financial business management and people engagement. Mr. Wang holds a Master of Business Administration degree from Kellogg School of Management at Northwestern University and a bachelor's degree in Computer Science from Peking University.

**Mr. Bahren Shaari** was appointed CEO of Bank of Singapore in February 2015. Prior to this appointment, he was the Senior Managing Director and Global Market Head of South East Asia. He has more than 30 years of banking experience. Mr. Shaari has been a non-executive and independent director of Singapore Press Holdings Limited since April 2012. He is a member of the Council of Presidential Advisers. Mr. Shaari was conferred the Public Service Star Medal in 2018 and the Public Service Medal in 2008. He is an IBF Distinguished Fellow and holds a Bachelor of Accountancy degree from the National University of Singapore.

**Mr. Tan Wing Ming** was appointed Regional General Manager of North East Asia and the Chief Executive of OCBC Bank Hong Kong branch since September 2009. In this role, he assumes oversight of the bank's branches in Hong Kong SAR, Japan, Korea and Taiwan. In November 2016, he was promoted to Executive Vice President. Mr. Tan joined OCBC Bank in January 2005 as Senior Vice President and Country Head of OCBC Bank's operations in China. Following the local incorporation of OCBC Bank in China in July 2007, he was appointed Director and President of OCBC Bank (China) Limited until his current role. Mr. Tan had worked for major American and European investment and commercial banks in Singapore for 10 years. He then started and managed his own private business in China for 11 years before joining OCBC Bank. Mr. Tan holds a Bachelor of Arts (Economics) with Honors from Georgetown University and a Master of Business Administration (Finance) from the University of Chicago.

**Mr. Ong Eng Bin** was appointed CEO of OCBC Malaysia in August 2014 and currently oversees the OCBC Group's Malaysian franchise. Prior to this appointment, he was its Head of Business Banking, a role he assumed in 2012 with responsibilities covering corporate and commercial, emerging business and transaction banking. He joined the bank as a management trainee in 1988 and was appointed Head of Corporate Banking and Large Corporates in 2000. Mr. Ong holds a Bachelor of Accounting and Finance from the University of Manchester.

**Ms. Parwati Surjaudaja** was appointed the President Director and CEO of Bank OCBC NISP in December 2008. She joined Bank OCBC NISP as a Director in 1990 and served as a Deputy President Director from 1997. She was appointed President Director and CEO of the bank at end of 2008 and was re-elected in 2011, 2014 and 2017 for her current position. She is currently a Board Member of Perbanas and Indonesian Bankers Association. Prior to joining Bank OCBC NISP, Ms. Surjaudaja had three years of corporate experience with SGV Utomo – Arthur Andersen. Ms. Surjaudaja holds a Master of Business Administration (Accounting) and a Bachelor of Science Cum Laude (Accounting and Finance) from San Francisco State University.

**Mr. Gan Kok Kim** was appointed Executive Vice President and Head of Global Investment Banking in February 2012. As the Head of Global Investment Banking, he oversees OCBC Bank's debt capital markets, corporate finance, merger and acquisition and mezzanine investment businesses. Mr. Gan joined OCBC Bank in 2004 as the Head of Treasury at OCBC Bank (Malaysia). In February 2011, he was also appointed Head of International Treasury. In August 2011, he was given the additional role of Head of Asset Liability Management in Singapore and gave up his Malaysian role. Mr. Gan has more than 29 years of trading, investment banking and management experience, and has held various positions in Citibank N.A. He holds a Bachelor of Science in Economics from the Massachusetts Institute of Technology.

**Mr. Sunny Quek** was appointed Head of Consumer Financial Services Singapore on November 13, 2019. He joined OCBC Bank in December 2012 as Head of Branch and Premier Banking. In the six years, Mr. Quek was responsible for formulating and executing the sales and distribution strategy for the consumer banking branch network in Singapore, and supporting the OCBC Premier Banking network in the region. He made significant contributions to the transformation and growth of the retail banking business and led the OCBC Premier Banking business to become a leader in the affluent segment space. In 2018, he spearheaded the transformation of the OCBC Premier Private Client segment to launch an Accredited Investor platform that offers bespoke wealth solutions to high net worth individuals in Singapore and the region. Mr. Quek started his banking career as a trader with Tokai Bank in 1997. He joined Citibank Singapore in 2000 as a Treasury Sales Officer and was appointed Branch Banking Director in 2006. Mr. Quek graduated with a Bachelor of Science in Economics from the National University of Singapore.

**Mr. Tan Chor Sen** was appointed the Head of Global Enterprise Banking-International in 2012. In addition to overseeing the growth of the emerging business segment in OCBC Bank's core markets, he is also in charge of developing cross-border capabilities and business within the region, leveraging the OCBC network and partner banks in key markets. Mr. Tan joined OCBC Bank in 2005 as Head of Emerging Business. He is a council member of the Singapore-Shandong Business Council and Singapore-Tianjin Economic and Trade Council under IE Singapore. Mr. Tan has over 30 years of banking experience where he began his career in commercial banking with postings in consumer banking. He later held several positions in corporate and offshore banking. Mr. Tan holds a Bachelor of Business Administration from the National University of Singapore and is an IBF Fellow (Corporate Banking).

**Mr. Jason Ho Poh Wah** joined OCBC Bank in January 2013 as Head of Asset Liability Management. He assumed the role of Head of Group Human Resources in July 2015, following his appointment as Deputy Head, effective January 2015. He has more than 30 years of banking experience and has held senior level positions at KBC Bank, Standard Chartered Bank and Volvo Group Treasury Asia Limited. Mr. Ho holds a Bachelor of Business Administration from the National University of Singapore and a Masters in Applied Finance from Macquarie University. He also serves as a Director of the Institute for Human Resource Professionals and is a member of the HR Industry Transformation Advisory Panel.

**Mr. Lim Khiang Tong** joined OCBC Bank in September 2000 and took on the role of Head of IT Management in January 2002. He was appointed Executive Vice President and Head of Group Information Technology in December 2007. In May 2010, he assumed the role of Head of Group Operations and Technology. He has more than 30 years of management experience in strategic technology development, information technology and banking operations. This includes driving regional processing operations, strategic technology initiatives and project management. Since August 2016, he has also assumed oversight of OCBC Bank's Quality and Service Excellence and Group Property Management divisions. He holds a Bachelor of Science (Computer Science and Economics) from the National University of Singapore.

**Ms. Goh Chin Yee** was appointed Head of Group Audit in March 2013 and Executive Vice President in April 2014. She oversees the full spectrum of internal audit activities for OCBC Bank and its subsidiaries. She reports directly to the Audit Committee and administratively to the Group CEO. Prior to this appointment, Ms. Goh has worked in diverse functions in OCBC Group, covering strategic management, investment research, fund management, finance, risk management and treasury business management. Ms. Goh holds a Bachelor of Engineering (Civil) with First Class Honors from the National University of Singapore and is a Chartered Financial Analyst.

**Ms. Loretta Yuen** was appointed General Counsel and Head of Group Legal and Regulatory Compliance in September 2010 and Executive Vice President in June 2015. She oversees the full spectrum of legal and regulatory risks, including anti-money laundering, across OCBC Bank and its subsidiaries, and provides advice on regulatory risks and legal issues involved in decisions to management, so that management can make informed strategic choices within an acceptable legal and regulatory risk profile. Ms. Yuen has over 19 years of legal and regulatory experience in banking and finance. She graduated with Second Class Honors in Law from the National University of Singapore and is an IBF Distinguished Fellow.

**Mr. Peter Yeoh** joined OCBC Bank in January 1984. Since joining OCBC Bank, he has held responsibilities in finance, accounting, management information services and strategic projects. He was appointed Company Secretary in August 2002, a role that includes responsibilities for corporate governance and board affairs. He holds a Bachelor of Commerce from the University of Western Australia, and is a Member of the Institute of Chartered Accountants in Australia and Institute of Singapore Chartered Accountants.

**Mr. Vincent Soh** was appointed Head of Group Property Management and Managing Director of OCBC Property Services Pte Ltd, a wholly-owned subsidiary of OCBC Bank, in June 2004. He is responsible for managing OCBC Group's real estate portfolio. He has held senior level positions in the public and private sectors. Mr. Soh holds a Master of Science (Property & Maintenance Management) and Master of Public Policy, both from the National University of Singapore. He is also an Associate Member of the Royal Institution of Chartered Surveyors, in the United Kingdom.

**Mr. Melvyn Low** is an industry veteran with more than 26 years of experience and has held senior positions in sales and product management, cash management, trade, and securities services in regional and global banks. Mr. Low also served as Director of the Singapore Clearing House Association from 2010 to 2013, where he was a key contributor to the launch of Fast and Secure Transfers, or FAST, platform. In conjunction with the National University of Singapore Business School, he developed the world's first full-credit course on transaction banking for undergraduates in 2012. As a member of the corporate banking workgroup of the IBF, he launched the IBF certification for transaction banking in 2019. Mr. Low is an IBF Distinguished Fellow and holds a Master of Business Administration from the University of British Columbia, Canada.

**Ms. Koh Ching Ching** was appointed Head of Group Brand and Communications in November 2004 and Executive Vice President in March 2012. She oversees OCBC Bank's branding and communications initiatives with the media, employees, customers, shareholders and the general public across its core markets. Prior to her current role, she led OCBC Bank's franchise expansion efforts in trade finance in Malaysia. Ms. Koh had 16 years of corporate and retail banking experience, having held various senior customer and product positions in local and foreign financial institutions. She graduated with First Class Honors in Business Administration from the National University of Singapore.

## PRINCIPAL SHAREHOLDERS

### Ordinary Shares

#### *Twenty Largest Holders of Ordinary Shares*

The total shareholdings of the 20 largest shareholders (members) of OCBC Bank comprised 70.29% of the issued share capital of OCBC Bank, and their names and the number of ordinary shares held by each of them as of April 2, 2020 are detailed below:

Shareholders	Number of shares held	%*
Citibank Nominees Singapore Pte Ltd . . . . .	671,410,756	15.27
Selat (Pte) Limited . . . . .	493,975,279	11.24
DBS Nominees Pte Ltd . . . . .	483,578,985	11.00
DBSN Services Pte Ltd . . . . .	279,414,090	6.36
HSBC (Singapore) Nominees Pte Ltd . . . . .	217,387,841	4.94
Lee Foundation . . . . .	194,255,503	4.42
Singapore Investments Pte Ltd . . . . .	157,007,526	3.57
Lee Rubber Company Pte Ltd . . . . .	138,829,991	3.16
Raffles Nominees (Pte) Limited . . . . .	84,648,142	1.93
Lee Latex Pte Limited . . . . .	59,940,381	1.36
United Overseas Bank Nominees Pte Ltd . . . . .	46,980,767	1.07
Herald Investment Pte Ltd . . . . .	45,153,163	1.03
BPSS Nominees Singapore (Pte.) Ltd. . . . .	44,968,505	1.02
Kallang Development (Pte) Limited . . . . .	43,129,685	0.98
Lee Pineapple Company Pte Ltd . . . . .	29,985,519	0.68
Kew Estate Limited . . . . .	27,457,750	0.62
DB Nominees (Singapore) Pte Ltd. . . . .	19,609,669	0.45
Island Investment Company Pte Ltd . . . . .	18,200,411	0.41
OCBC Nominees Singapore Pte Ltd . . . . .	17,439,020	0.40
Lee Plantations Pte Limited . . . . .	16,696,206	0.38
<b>Total</b> . . . . .	<b>3,090,069,189</b>	<b>70.29</b>

**Note:**

\* Percentage is calculated based on the total number of issued ordinary shares, excluding treasury shares.

### **Substantial Holders of Ordinary Shares**

The following table shows the shareholders of OCBC Bank as shown in the Register of Substantial Shareholders as of April 2, 2020:

<b>Substantial ordinary shareholders</b>	<b>Direct Interest Number of Shares</b>	<b>Deemed Interest Number of Shares</b>	<b>Total Number of Shares</b>	<b>% of issued ordinary shares*</b>
Lee Foundation . . . . .	189,310,098 <sup>(1)</sup>	31,835,411 <sup>(2)</sup>	221,145,509	5.03%
Selat (Pte) Limited . . . . .	481,399,533 <sup>(3)</sup>	45,153,163 <sup>(4)</sup>	526,552,696	11.98%

**Notes:**

- \* Percentage is calculated based on the total number of issued ordinary shares, excluding treasury shares.
- (1) Does not include shares acquired pursuant to OCBC's Scrip Dividend Scheme in October 2019. As the acquisition did not result in an overall percentage level change in Lee Foundation's total interest in OCBC, no notification of the change was required to be given under the Securities and Futures Act, Chapter 289 (SFA).
- (2) Represents Lee Foundation's deemed interest in (a) the 29,222,140 shares held by Lee Pineapple Company (Pte) Limited, and (b) the 2,613,271 shares held by Peninsula Plantations Sendirian Berhad.
- (3) Does not include shares acquired pursuant to OCBC's Scrip Dividend Scheme in October 2019. As the acquisition did not result in an overall percentage level change in Selat (Pte) Limited's total interest in OCBC, no notification of the change was required to be given under the SFA.
- (4) Represents Selat (Pte) Limited's deemed interest in the 45,153,163 shares held by Herald Investment Pte Ltd.

As of April 2, 2020, approximately 72.1% of the issued ordinary shares (excluding ordinary shares held in treasury) were held in public hands.

### **Distribution of Ordinary Shareholders**

The number of ordinary shareholders (members) of OCBC Bank as of April 2, 2020 is 112,419. There is one class of ordinary shares with equal voting rights.

<b>Size of Holdings</b>	<b>Number of Ordinary Shareholders</b>	<b>%</b>	<b>Number of Shares held</b>	<b>%</b>
1 – 99 . . . . .	8,144	7.24	312,311	0.01
100 – 1,000 . . . . .	28,681	25.51	16,783,927	0.38
1,001 – 10,000 . . . . .	58,454	52.00	207,836,350	4.71
10,001 – 1,000,000 . . .	16,994	15.12	755,612,585	17.14
1,000,001 and above . . .	146	0.13	3,428,049,222	77.76
<b>Total . . . . .</b>	<b>112,419</b>	<b>100.00</b>	<b>4,408,594,395</b>	<b>100.00</b>

As of April 2, 2020, the number of issued ordinary shares (including treasury shares) was 4,408,594,395. As of April 2, 2020, the number of ordinary shares held in treasury was 12,441,637 which represented 0.28%.

## SUBSIDIARIES, AFFILIATES AND ASSOCIATED COMPANIES

As of June 30, 2020, we had 105 consolidated subsidiaries and 7 associates, which are accounted for in the consolidated financial statements using the equity method of accounting. The following table sets forth information with respect to our principal companies, all of which are consolidated as of June 30, 2020.

<u>Subsidiaries, affiliates and associated companies</u>	<u>Effective%<sup>(4)</sup> Interest held</u>	<u>Main business</u>
Banco OCBC Weng Hang, S.A. <sup>(1)</sup> . . . . .	100	Banking
Bank of Singapore Limited <sup>(1)</sup> . . . . .	100	Banking
OCBC Al-Amin Bank Berhad <sup>(1)</sup> . . . . .	100	Banking
OCBC Bank (Malaysia) Berhad <sup>(1)</sup> . . . . .	100	Banking
OCBC Wing Hang Bank (China) Limited <sup>(1)</sup> . . . . .	100	Banking
OCBC Wing Hang Bank Limited <sup>(1)</sup> . . . . .	100	Banking
PT Bank OCBC NISP Tbk <sup>(2)</sup> . . . . .	85	Banking
Great Eastern General Insurance Limited <sup>(3)</sup> . . . . .	88	Insurance
Great Eastern General Insurance (Malaysia) Berhad <sup>(3)</sup> . . . . .	88	Insurance
Great Eastern Life Assurance (Malaysia) Berhad <sup>(3)</sup> . . . . .	88	Insurance
The Great Eastern Life Assurance Company Limited <sup>(3)</sup> . . . . .	88	Insurance
Lion Global Investors Limited <sup>(3)</sup> . . . . .	92	Asset management
Great Eastern Holdings Limited <sup>(3)</sup> . . . . .	88	Investment holding
OCBC Securities Private Limited <sup>(1)</sup> . . . . .	100	Stockbroking

**Notes:**

- (1) Audited by KPMG LLP for the financial years ended 2017 to 2019. Reviewed by PricewaterhouseCoopers on a group level for the financial period ending June 30, 2020.
- (2) Audited by PricewaterhouseCoopers.
- (3) Audited by Ernst and Young for the financial years ended 2017 to 2019. Reviewed by PricewaterhouseCoopers on a group level for the financial period ending June 30, 2020.
- (4) Rounded to the nearest percentage.

## **SUPERVISION AND REGULATION**

### **Singapore Banking Industry**

#### ***Introduction***

Singapore licensed banks come within the ambit of the Banking Act and the MAS, as the administrator of the Banking Act, supervises and regulates the banks and their operations. In addition to provisions in the Banking Act and the subsidiary legislation issued thereunder, banks have to comply with notices, circulars, guidelines, practice notes and codes issued by the MAS from time to time, which may be issued to the banking industry generally or to a Singapore licensed bank specifically.

A licensed bank's operations may include the provision of capital markets services and financial advisory services. A bank licensed under the Banking Act is exempt from holding a capital markets services license under the SFA and from holding a financial adviser's license under the Financial Advisers Act, Chapter 110 of Singapore (the "**FAA**"). However, a licensed bank will nonetheless have to comply with the SFA and the FAA and the subsidiary legislation issued thereunder, as well as notices, circulars, guidelines, practice notes and codes issued by the MAS from time to time, as may be applicable to it in respect of these regulated activities.

#### ***The Monetary Authority of Singapore***

The MAS is banker and financial agent to the Singapore Government and is the central bank of Singapore. Following its merger with the Board of Commissioners of Currency, Singapore on October 1, 2002, the MAS has also assumed the functions of currency issuance. The MAS' functions include: (a) to act as the central bank of Singapore, including the conduct of monetary policy, the issuance of currency, the oversight of payment systems and serving as banker to and financial agent of the Singapore Government; (b) to conduct integrated supervision of financial services and financial stability surveillance; (c) to manage the official foreign reserves of Singapore; and (d) to develop Singapore as an international financial centre.

#### ***COVID-19 Temporary Measures***

On April 7, 2020, the MAS announced that it will adjust selected regulatory requirements and supervisory programmes to enable financial institutions to focus on dealing with issues related to the COVID-19 pandemic and supporting their customers during this difficult period. The MAS will take the following regulatory and supervisory measures: (a) adjust banks' capital and liquidity requirements, to help sustain their lending activities; (b) allow financial institutions to take into account the government's fiscal assistance and bank's relief measures in setting more realistic accounting loan loss allowances; (c) defer institutions' implementation of the final set of Basel III reforms, margin requirements for non-centrally cleared derivatives, and other new regulations and policies, to ease a financial institution's operational burden; (d) provide financial institutions with more latitude on submission timelines for regulatory reports and defer non-urgent industry projects; and (e) suspend regular onsite inspections and supervisory visits till further notice.

The summary of the laws, subsidiary legislation, notices, directives, circulars and guidelines relating to the regulation and supervision of banks stated below and elsewhere in this Offering Memorandum should be read subject to such adjustments and measures, and any further adjustments and measures, as may be announced by the MAS from time to time.



For example, MAS Notice 637 has been amended to allow the full recognition of balances maintained in the regulatory loss allowance reserve accounts as Tier 2 Capital between March 31, 2020 and September 30, 2021 (both dates inclusive) and MAS Notice 652 has been amended to:

- (a) lower the required stable funding factors for all loans from a D-SIB or internationally active bank to non-financial corporates, retail customers and small business customers, that have a residual maturity of less than six months, from 50 per cent. to 25 per cent. for the period between April 8, 2020 and September 30, 2021 (both dates inclusive); and
- (b) gradually phase back the required stable funding factors referred to above from 25 per cent. to 50 per cent. by April 1, 2022.

The COVID-19 (Temporary Measures) Act 2020 passed on April 7, 2020 also allows, *inter alia*, for the provision of temporary relief from legal action over certain loan facilities granted by a bank to small and medium enterprises (specifically businesses in Singapore with turnover of not more than S\$100 million in the latest financial year, where not less than 30% of its shares or other ownership interest is held by citizens of Singapore or permanent residents of Singapore or both) where such loans are fully or partially secured against commercial or industrial immovable property, plant, machinery or other equipment used for business purposes in Singapore. The bank would be prohibited from instituting, *inter alia*, court and insolvency proceedings and enforcement of security over such immovable property or movable property that is used for the purposes of business or trade for the period stipulated in the COVID-19 (Temporary Measures) Act 2020. These measures are in place for six months from April 20, 2020 at first instance, and may be subsequently extended for up to a year from such date.

The measures, laws, and regulations highlighted in this “COVID-19 Temporary Measures” section are non-exhaustive, and should be read in tandem with further updates to such measures and the summary of laws, subsidiary legislation, notices, directives, circulars and guidelines elsewhere in this Offering Memorandum.

### ***Special Financial Relief Programme***

On March 31, 2020, the MAS, the ABS, the LIA, the GIA and the FHAS issued an announcement introducing a Special Financial Relief Programme for individuals and small and medium enterprises. Amongst other measures, this allows individuals with residential property loans to apply to their bank to defer either:

- (a) principal payment; or
- (b) both principal and interest payments,

up to December 31, 2020, with interest accruing only on the deferred principal amount. In order to be eligible for such relief, the individual must not have been in arrears for more than 90 days as at April 6, 2020. Further measures were provided for on April 30, 2020 and allow individuals with commercial and industrial property loans to apply to their bank to defer principal payments up to December 31, 2020, and individuals with mortgage equity withdrawal loans that are granted on or after April 6, 2020 to apply to their bank to defer either principal payment or both principal and interest payments up to December 31, 2020.

In connection with these measures, MAS has released updates to certain MAS notices, such as MAS Notice 632, MAS Notice 632B and MAS Notice 645A, to take into account such loans that have been deferred at the option of the borrower. Amendments were also made to certain regulations, such as the Banking (Credit Card and Charge Card) Regulations 2013, MAS Notice 635 and MAS Notice 642 on relief measures in respect of renovation loans and motor vehicle loans.

## ***The Regulatory Environment***

In December 2010, the Basel Committee published Basel III which presents the details of global regulatory standards on bank capital adequacy and liquidity, aimed at strengthening global capital standards and promoting a more resilient banking sector.

Basel III sets out higher capital standards for banks, and introduced two global liquidity standards: the “Liquidity Coverage Ratio”, intended to promote resilience to potential liquidity disruptions over a 30-day horizon and the “Net Stable Funding Ratio”, which requires a minimum amount of stable sources of funding at banks relative to the liquidity profiles of their assets and potential for contingent liquidity needs arising from off-balance sheet commitments over a one-year horizon. In January 2011, the Basel Committee has also published requirements for all classes of capital instruments issued on or after January 1, 2013 to be loss absorbing at the point of non-viability. In July 2012, the Basel Committee further published the interim framework for capitalization of bank exposures to central counterparties.

MAS Notice 637 implements Basel III capital standards for Singapore-incorporated banks and sets out the current requirements relating to the minimum capital adequacy ratios for Singapore-incorporated banks and the methodology such banks shall use for calculating these ratios. MAS Notice 637 also sets out the expectations of the MAS in respect of the internal capital adequacy assessment process of Singapore-incorporated banks under the supervisory review process and specifies the minimum disclosure requirements for Singapore-incorporated banks in relation to its capital adequacy.

Pursuant to MAS Notice 637, the MAS has imposed capital adequacy ratio requirements on a Singapore-incorporated bank at two levels:

- (a) the bank standalone (“**Solo**”) level capital adequacy ratio requirements, which measure the capital adequacy of a Singapore-incorporated bank based on its standalone capital strength and risk profile; and
- (b) the consolidated (“**Group**”) level capital adequacy ratio requirements, which measure the capital adequacy of a Singapore-incorporated bank based on its capital strength and risk profile after consolidating the assets and liabilities of its subsidiaries and any other entities which are treated as part of the bank’s group of entities according to SFRS (collectively called “**banking group entities**”) taking into account any exclusions of certain bank group entities or any adjustments pursuant to securitization required under MAS Notice 637.

Where a Singapore-incorporated bank issues covered bonds (as defined in MAS Notice 648 on Issuance of Covered Bonds by Banks Incorporated in Singapore (“**MAS Notice 648**”)), the Singapore-incorporated bank must continue to hold capital against its exposures in respect of the assets included in a cover pool (as defined in MAS Notice 648) in accordance with MAS Notice 637. In the case where the Singapore-incorporated bank uses a special purpose entity to issue covered bonds or where the cover pool is held by a special purpose entity, the bank is required to apply a “look through” approach for the purpose of computing its capital requirements under MAS Notice 637. Under the “look through” approach, the Singapore-incorporated bank and the special purpose entity will be treated as a single entity for the purposes of MAS Notice 637.

In addition to complying with the above capital adequacy ratio requirements in MAS Notice 637, a Singapore-incorporated bank should consider as part of its internal capital adequacy assessment process whether it has adequate capital at both the Solo and Group levels to cover its exposure to all risks.

Under MAS Notice 637, D-SIBs will be required to meet capital adequacy requirements that are higher than the Basel Committee's requirements. MAS Notice 637 sets out a minimum CET1 CAR of 6.5%, Tier 1 CAR of 8.0% and a Total CAR of 10.0% for D-SIBs incorporated in Singapore. The minimum capital requirements under MAS Notice 637 are two percentage points higher than the Basel III minima specified by the Basel Committee.

Under the requirements of the Basel Committee, banks are required to maintain minimum CET1 CAR, Tier 1 CAR and Total CAR of 4.5%, 6.0% and 8.0%, respectively, from January 1, 2015. In addition, banks are required to hold a CCB of 2.5% above the minimum capital adequacy requirements to weather periods of high stress. This CCB is to be met with CET1 capital and began at 0.625% on January 1, 2016, increasing by an additional 0.625 percentage points in each subsequent year, and reached 2.5% on January 1, 2019.

Furthermore, banks may be subject to a countercyclical buffer ranging from 0% to 2.5% which will be implemented by each country when there has been a build-up of system-wide risk associated with excessive aggregate credit growth in their systems, with discretion on the implementation according to their national circumstances. The countercyclical buffer was phased in from January 1, 2016 to January 1, 2019. It is not an ongoing requirement but only applied as and when specified by the relevant national banking supervisors. The countercyclical buffer is to be maintained in the form of CET1 capital.

In line with the Basel Committee's requirements, the MAS has introduced in MAS Notice 637 a CCB of 2.5% above the minimum capital adequacy requirements. The CCB will be met with CET1 capital and begins at 0.625% on January 1, 2016, increasing by an additional 0.625% in each subsequent year, to reach its final level of 2.5% on January 1, 2019. The MAS has also introduced in MAS Notice 637 a countercyclical buffer requirement in the range of 0% to 2.5% to be met with CET1 capital. The actual magnitude of the countercyclical buffer applicable to a Singapore-incorporated bank is the weighted average of the country-specific countercyclical buffer requirements that are being applied by the regulators in the countries to which the bank has private sector credit exposures.

The table below summarizes the capital requirements under MAS Notice 637 for D-SIBs.

<b>From January 1,</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>
<b>Minimum CARs%</b>					
CET1 (a) . . . . .	6.5	6.5	6.5	6.5	6.5
CCB (b) . . . . .	–	0.625	1.25	1.875	2.5
CET1 including CCB (a) + (b) . .	6.5	7.125	7.75	8.375	9.0
Tier 1 including CCB . . . . .	8.0	8.625	9.25	9.875	10.5
Total including CCB . . . . .	10.0	10.625	11.25	11.875	12.5
Maximum Countercyclical Buffer . . . . .	–	0.625	1.25	1.875	2.5

In addition to changes in minimum capital requirements, Basel III also mandates various adjustments in the calculation of capital resources. These adjustments include items such as goodwill, intangible assets, deferred tax assets and investments in unconsolidated financial institutions in which the bank holds a major stake and are fully-phased in as at January 1, 2018.

MAS Notice 637 was amended on October 17, 2016 to implement requirements for Singapore-incorporated banks that are consistent with the final standards issued by the Basel Committee in relation to (a) capital requirements for banks' equity investments in funds, (b) the Basel Committee's standardized approach for measuring counterparty credit risk exposures,

(c) capital requirements for bank exposures to central counterparties, and (d) revised Pillar 3 disclosure requirements. The amendments will enhance the risk capture of banks' equity exposures and counterparty credit risk exposures, while the revised Pillar 3 disclosure requirements will improve comparability and consistency of disclosures and enable market participants to better assess a bank's capital adequacy. Revisions have also been made to align the regulatory capital treatment for investments in unconsolidated major stake entities that are not financial institutions, and for private equity and venture capital investments, with the treatment of significant investments in commercial entities under the Basel capital framework. The amendments took effect from January 1, 2017. For amendments relating to the standardized approach for measuring counterparty credit risk exposures and capital requirements for bank exposures to central counterparties, transitional arrangements are provided to allow more time for implementation. For Pillar 3 disclosure requirements, the disclosures required under the revised framework will be for the reporting periods ending on or immediately after January 1, 2017 for the majority of disclosure templates and January 1, 2018 for the remaining templates.

On September 22, 2017, a revised MAS Notice 637 was issued. Among other things, the transitional arrangements for the adoption of the Internal Ratings Based Approach were amended to reflect certain changes in the calculation of the amount of capital floors, including removing "Tier 1 Capital Resources Requirement" from the basis in calculating the amount of capital floors. Revisions were also made to the reporting schedules in MAS Notice 637.

Separately, the MAS released a consultation paper on proposed amendments to MAS Notice 637 on January 9, 2017 to implement requirements that are consistent with the final standards issued by the Basel Committee in relation to revisions to the securitization framework and standards for interest rate risk in the banking book ("**IRRBB**"). The proposed framework for IRRBB sets out Pillar 2 requirements for the identification, measurement, monitoring and control of IRRBB, and disclosure requirements under prescribed interest rate shock scenarios. On November 29, 2017, the MAS released its response to this consultation paper and issued a revised MAS Notice 637 to implement amendments to the securitization framework. These strengthen capital standards for securitization exposures, while providing a preferential capital treatment for simple, transparent and comparable securitizations. The framework for IRRBB, which was finalized and incorporated into a revised MAS Notice 637 on November 13, 2018 and took effect from December 31, 2018, sets out requirements for the identification, measurement, monitoring and control of IRRBB that are consistent with the standard issued by the Basel Committee.

On July 25, 2017, the MAS issued the Consultation Paper on the Proposed Amendments to Capital Requirements for Singapore-Incorporated Banks in MAS Notice 637 which proposes amendments to introduce the minimum leverage ratio requirement of 3.0%. Technical enhancements were also proposed on the capital treatment of equity investments and the definition of default under the Internal Ratings Based Approach for credit risk. On December 28, 2017, MAS Notice 637 was revised to introduce a minimum leverage ratio requirement of 3.0% at the Solo and Group levels with effect from January 1, 2018.

On December 20, 2017, the MAS issued a Consultation Paper on Proposed Amendments to Widen the Scope of Eligible Collateral Relating to Commodities and Equity Securities in MAS Notice 637, to propose amendments to MAS Notice 637 to widen the scope of eligible collateral relating to commodities and equity that may be recognized for credit risk mitigation purposes. The MAS issued its response to this consultation on November 13, 2018, and implemented its proposed revisions to the list of eligible collateral in MAS Notice 637 with effect from November 16, 2018.

On November 13, 2018, MAS Notice 637 was also amended to implement the Basel Committee's total loss-absorbing capacity ("TLAC") holdings standard (the "TLAC Amendments"). The TLAC Amendments sought to limit contagion within the financial system if a global systemically important bank ("G-SIB") were to enter resolution. They introduced, among other things, the

requirement of an additional 5% threshold for non-regulatory capital TLAC holdings, and confine the usage of the additional 5% threshold to non-regulatory capital TLAC holdings that meet certain prescribed conditions, including the conditions that such TLAC holdings must be: (a) in the bank's trading book; and (b) sold within 30 business days of the date of its acquisition. The TLAC Amendments took effect from January 1, 2019.

On May 7, 2019, the MAS released a consultation paper on "Proposed Implementation of the Final Basel III Reforms in Singapore", seeking feedback on proposed revisions to the risk-based capital requirements and leverage ratio requirements for Singapore-incorporated banks to align with the Basel III reforms, and to implement these revisions from January 1, 2022. These proposals, if implemented, can affect the way banks in Singapore calculate their exposures, which may in turn affect their capital or liquidity requirements. On April 7, 2020, in line with the announcement by Basel Committee, MAS announced that the implementation date of the Basel III reforms has been deferred by one year to January 1, 2023 to enable banks to prioritize their resources to respond to the impact of COVID-19.

With effect from June 30, 2019, further amendments were made to MAS Notice 637 to allow the recognition of on-balance sheet netting agreements for loans and deposits for credit risk mitigation purposes, introduce proportionality for disclosure requirements, revise certain disclosure templates, and implement other technical revisions.

### **Other Key Prudential Provisions**

#### *Liquidity Coverage Ratio and Net Stable Funding Ratio*

On November 28, 2014, the MAS issued MAS Notice 649. MAS Notice 649, which took effect on January 1, 2015, introduces a new liquidity requirement framework to implement the Basel III LCR rules and applies to banks in Singapore. Under MAS Notice 649, a D-SIB which is incorporated in Singapore and whose head office or parent bank is incorporated in Singapore shall maintain at all times, a Singapore Dollar LCR requirement of at least 100% and an all currency LCR requirement of at least 60% by January 1, 2015, with the all currency LCR requirement increasing by 10% each year to 100% by 2019.

On December 14, 2015, the MAS issued MAS Notice 651 on Liquidity Coverage Ratio Disclosure ("**MAS Notice 651**"), which took effect on January 1, 2016. On December 28, 2017, MAS Notice 651 was revised pursuant to a public consultation.

On July 10, 2017, the MAS issued a new MAS Notice 652 on Net Stable Funding Ratio ("**MAS Notice 652**") to implement the proposals set out in the consultation paper on Local Implementation of Basel III Liquidity Rules – Net Stable Funding Ratio ("**NSFR**") and NSFR Disclosure Requirements which was released in November 2016. MAS Notice 652 applies to D-SIBs and internationally active banks and took effect from January 1, 2018 (save for the Required Stable Funding add-on for derivative liabilities, which took effect from October 1, 2019). Under MAS Notice 652, a D-SIB incorporated and whose head office or parent bank is incorporated in Singapore must maintain an all-currency NSFR of at least 100% on a consolidated level (excluding certain banking group entities such as an insurance subsidiary).

The MAS consulted on the implementation of NSFR disclosure requirements as part of the public consultation on Proposed Amendments to Disclosure Requirements under MAS Notice 637, 651 and 653 which was separately issued on July 10, 2017. The proposed amendments to the disclosure frequencies under MAS Notice 651 on Liquidity Coverage Ratio Disclosure and MAS Notice 653 on Net Stable Funding Ratio Disclosure have been included in accordance with the Basel Committee's revised standards. On December 28, 2017, the MAS issued the revised MAS Notices 637 and 651 and a new MAS Notice 653 on Net Stable Funding Ratio Disclosure ("**MAS Notice 653**") to implement disclosure requirements for Singapore-incorporated banks that are

consistent with the Basel Committee's revised standards on Pillar 3 disclosures under the Basel III framework. The amendments to MAS Notice 637 took effect on January 1, 2018 (except where indicated otherwise). The revised MAS Notice 651 took effect from December 31, 2017 and MAS Notice 653 took effect from January 1, 2018. Subsequently, MAS Notice 651 and MAS Notice 653 were revised again with effect from October 1, 2019, to, among other things, clarify the scope of their application.

MAS Notice 651 and MAS Notice 653 set out requirements applicable to banks incorporated in Singapore that are D-SIBs or internationally active banks for the disclosure of quantitative and qualitative information about LCR and NSFR respectively. Under the revised MAS Notice 651, a D-SIB that is incorporated in Singapore and whose head office or parent bank is incorporated in Singapore, or an internationally active bank, is required to disclose quantitative and qualitative information about its LCR on a consolidated level (excluding certain banking group entities such as an insurance subsidiary) on a quarterly basis. MAS Notice 651 also sets out additional disclosure requirements on quantitative and qualitative information, such as the annual disclosure of information relating to its internal liquidity risk measurement and management framework.

Under MAS Notice 653, a D-SIB that is incorporated in Singapore and whose head office or parent bank is incorporated in Singapore, or an internationally active bank, is required to disclose quantitative and qualitative information about its NSFR on a consolidated level (excluding certain banking group entities such as an insurance subsidiary) on a semi-annual basis.

#### *Minimum Cash Balance*

Under Section 39 of the Banking Act and MAS Notice 758 on Minimum Cash Balance ("**MAS Notice 758**"), a bank is also required to maintain, during a maintenance period, in its current account and custody cash account an aggregate minimum cash balance with MAS of at least an average of 3.0% of its average Qualifying Liabilities (as defined in MAS Notice 613 on Minimum Liquid Assets ("**MAS Notice 613**")) computed during the relevant two-week period beginning on a Thursday and ending on a Wednesday. The MAS has stated that MAS Notice 758 will be amended to include the definition of Qualifying Liabilities under MAS Notice 649 instead of referencing MAS Notice 613, which will be canceled with effect from January 1, 2016. However, to date, the MAS has neither amended the definition of Qualifying Liabilities under MAS Notice 758 nor canceled MAS Notice 613.

#### *Exposures and Credit Facilities*

Under Section 29 of the Banking Act, the MAS may, by notice to any bank in Singapore, impose such requirements as may be necessary or expedient for the purposes of limiting the exposure of the bank to:

- (a) a substantial shareholder group of the bank (if the bank is incorporated in Singapore);
- (b) the financial group of the bank;
- (c) a director group of the bank; and
- (d) any other person or class of persons as may be prescribed.

For the purposes of this paragraph:

- (a) "**substantial shareholder group**" means a group of persons comprising any substantial shareholder (i.e., holding or having an interest in not less than 5% of the total voting rights) of the bank, every affiliate of such substantial shareholder, and where the bank is a subsidiary of a financial holding company or a parent bank ("**Holding Company**"), any

substantial shareholder of the Holding Company and every affiliate of such substantial shareholder. Where a “substantial shareholder” is an individual, this term shall include a reference to a family member of the substantial shareholder;

- (b) “**financial group**” means a group of companies comprising (in the case of a Singapore-incorporated bank) every company in which the bank acquires or holds, directly or indirectly, a major stake (as defined below); and
- (c) “**director group**” means a group of persons comprising any director of the bank, every firm or limited liability partnership in which that director is a partner, manager, agent, guarantor or surety, every individual of whom and every company of which that director is a guarantor or surety and every company in which the director (i) is an executive officer; (ii) owns more than half of the total number of issued shares (whether legally or beneficially); (iii) controls more than half of the voting power; or (iv) controls the composition of the board of directors. In this paragraph, reference to “director” would include the director’s spouse, parent and child.

The Banking (Amendment) Act 2020 was passed by Parliament on January 6, 2020 and gazetted on February 13, 2020, but is not yet in force. It introduces a new section 29A to the Banking Act which enhances the monitoring and control of the risk of conflict between the interests of a bank in Singapore and the interests of certain persons, branches or head offices that are related to the bank. The new section 29A provides that the MAS may, by written notice, impose requirements that are reasonably necessary for the purposes of identifying credit facilities, exposures and transactions to or with certain persons, branches, entities or head offices that may give rise to any conflict of interest, and for monitoring, limiting and restricting such credit facilities, exposures and transactions. Among other things, the notice may prohibit the bank from granting any credit facility, creating any exposure or entering into any transaction to or with such a person, branch, entity or head office.

Regulation 24 of the Banking Regulations has prescribed that the MAS may also impose requirements for the purpose of limiting the exposure of the bank to: (a) any officer (other than a director) or employee of the bank or other person who receives remuneration from the bank other than for services rendered to the bank or any company that is treated as part of the bank’s group of companies according to SFRS; and (b) a group of persons, who are financially dependent on one another or where one person (the controlling person) controls every other person in that group, and where at least one of the persons is a counterparty to the bank. For these purposes, a person is controlled by the controlling person if the person is (i) a person in which the controlling person holds more than half of the total number of issued shares (whether legally or beneficially); (ii) a person in which the controlling person controls more than half of the voting power; (iii) a person in which the controlling person controls the composition of the board of directors; (iv) a subsidiary of a person described in (i) to (iii) above; or (v) a person the policies of which the controlling person is in a position to determine.

Under the Banking (Amendment) Regulations 2019, regulation 24 of the Banking Regulations has been amended such that the MAS will be able to impose requirements to limit the exposure of the bank to additional classes of persons, including: (a) any counterparty to the bank and (b) (in the case of a bank incorporated in Singapore) a group of entities, each of which the bank holds, directly or indirectly, a major stake as defined in section 32(7) of the Banking Act. It is stated that this amendment will take effect from October 1, 2020.

The MAS issued MAS Notice 639 pursuant to Section 29 of the Banking Act. MAS Notice 639 sets out the limits on a bank in Singapore’s exposure to a single counterparty group, the types of exposures to be included in or excluded from these limits, the basis for computation of exposures, the approach for aggregating exposures to counterparties that pose a single risk to the bank, the recognition of credit risk mitigation and aggregating of exposures at the bank group level.

MAS Notice 639 sets out requirements on “large exposures limit” and “substantial exposures limit” to a “single counterparty group” (as respectively defined in MAS Notice 639), on a Solo level and a Group level. Pursuant to MAS Notice 639, the MAS has set out that:

- (a) at Solo level, a Singapore-incorporated bank shall not permit (i) the aggregate of its exposures to a single counterparty group to exceed 25% or such other percentage of its eligible total capital as may be approved by the MAS; and (ii) the aggregate of exposures exceeding 10% of its eligible total capital to any single counterparty group to exceed 50% or such other percentage of its total exposures as may be approved by the MAS; and
- (b) at Group level, a Singapore-incorporated bank shall aggregate its exposures to a single counterparty group (other than the exposures to the financial group of the bank) with the exposures of its subsidiaries and the exposures of all other companies treated as part of the bank group to the same counterparty group and shall not permit (i) the aggregate of the exposures of the bank group to a single counterparty group to exceed 25% or such other percentage of the eligible total capital of the bank group as may be approved by the MAS; and (ii) the aggregate of the exposures of the bank group exceeding 10% of the eligible total capital of the bank group to any single counterparty group, to exceed 50% or such other percentage of the bank group’s total exposures as may be approved by the MAS.

The term “eligible total capital”, in relation to Singapore-incorporated banks, has the same meaning as “Eligible Total Capital” in MAS Notice 637, on a Solo level and in relation to a bank group, has the same meaning as “Eligible Total Capital” in MAS Notice 637, on a Group level.

On January 3, 2018, the MAS released a Consultation Paper on Proposed Revisions to the Regulatory Framework for Large Exposures of Singapore-incorporated Banks. The proposed revisions take into account relevant aspects of the “Supervisory framework for measuring and controlling large exposures” published by the Basel Committee in April 2014, and will apply only to Singapore-incorporated banks. Among other things, the MAS has proposed to tighten the capital base of the large exposures limit from eligible total capital to Tier 1 capital. In relation to the scope of the Group level requirements, the MAS has proposed that a bank aggregate its exposures to a single counterparty group across all entities treated as part of its banking group, with the exclusion of exposures arising from an insurance subsidiary of the Singapore-incorporated bank.

On August 31, 2018, the MAS released the Response to Feedback Received – Proposed Revisions to the Large Exposures Framework for Singapore-Incorporated Banks, where it stated that it will implement revised large exposure requirements for Singapore-incorporated banks that are consistent with the final standards issued by the Basel Committee on measuring and controlling a bank’s exposures to a counterparty or counterparty group. Among other things, the MAS will tighten the large exposures limit from 25% of eligible total capital to 25% of Tier 1 capital. The revised requirements were intended to take effect from September 30, 2019. The MAS has not revised MAS Notice 639. However, on August 14, 2019, it issued a new MAS Notice 656 on Exposures to Single Counterparty Groups for Banks Incorporated in Singapore (“**MAS Notice 656**”) which states that it is to take effect from October 1, 2020. In line with the MAS’ response, MAS Notice 656 provides (among other things) that, subject to certain exceptions, a Singapore-incorporated bank must not permit:

- (a) at the Solo level, the aggregate of its exposures to any single counterparty group to exceed 25% of its Tier 1 capital; and
- (b) at the Group level, the aggregate of exposures of the Singapore-incorporated bank and its banking group entities to any counterparty, any director group, any substantial shareholder group or any connected party group to exceed 25% the Tier 1 capital of the Singapore-incorporated bank and its banking group entities.



Exposures would have to be calculated based on the maximum loss that a bank may incur as a result of the failure of a specified counterparty to meet any of its obligations. See “Business – Assets – Credit Facilities and Exposure Limits”.

The MAS has further prescribed for the purposes of Section 35 of the Banking Act that the property sector exposure of a bank in Singapore must not exceed 35% of the total eligible assets of that bank.

#### *Credit Loss Allowance*

On December 29, 2017, the MAS issued the revised MAS Notice 612 on Credit Files, Grading and Provisioning (which took effect on January 1, 2018) in relation to the changes in the recognition and measurement of allowance for credit losses introduced in SFRS(I) 9. The regulatory requirement on minimum impairment provisions for credit-impaired exposures has been removed, and banks are to measure and recognize loss allowances for expected credit losses in accordance with the requirements of SFRS(I) 9. In addition, locally-incorporated banks which are designated by the MAS as D-SIBs are to maintain Minimum Regulatory Loss Allowances. Where the Accounting Loss Allowance falls below the Minimum Regulatory Loss Allowance, a locally-incorporated D-SIB is required to recognize the additional loss allowance by establishing a non-distributable RLAR through appropriation of retained earnings.

#### *Related Party Transactions*

MAS Notice 643 on Transactions with Related Parties (dated November 21, 2016) (“**MAS Notice 643**”) was issued by the MAS pursuant to Section 55(1) of the Banking Act. MAS Notice 643 sets out requirements relating to transactions of banks in Singapore with related parties and responsibilities of banks in relation to transactions of entities in the bank’s group with related parties, which seek to minimize the risk of abuses arising from conflicts of interest. The MAS further revised MAS Notice 643 on November 21, 2016 as a result of two consultation papers. MAS Notice 643 was scheduled to take effect from November 21, 2018. However, on July 30, 2019, the MAS stated in its Response to Feedback Received on Amendments to Banking Regulations and Banking (Corporate Governance) Regulations that it is moving the implementation date of MAS Notice 643 from November 21, 2018 to October 1, 2020, in response to banks’ requests for more time to make system changes and obtain necessary approvals from their senior management, as well as to align the implementation timeline with upcoming amendments to the Banking Act and revised large exposure requirements for Singapore-incorporated banks. Subsequently, MAS Notice 643 dated November 21, 2016 was cancelled with effect from December 12, 2019, and superseded by a new MAS Notice 643 dated December 12, 2019. The new MAS Notice 643 states that it is to take effect on October 1, 2020.

Under MAS Notice 643, a bank in Singapore is required to obtain the approval of a special majority of three-fourths of its board, and ensure that every branch and entity in its banking group obtains the approval of a special majority of three-fourths of that entity’s board, before entering into a related party transaction that exceed the applicable materiality threshold or writing off any exposures to any of the bank’s related parties (subject to exclusions).

#### *Permitted businesses and holdings*

A bank in Singapore is prohibited from carrying on or entering into any partnership, joint venture or other arrangement with any person to carry on any business except:

- (a) banking business;
- (b) business which is regulated or authorized by the MAS or, if carried on in Singapore, would be regulated or authorized by the MAS under any written law;

- (c) business which is incidental to (a) or (b);
- (d) business or a class of business prescribed by the MAS; or
- (e) any other business approved by the MAS.

A bank in Singapore, either directly or through any subsidiary of the bank or any other company in the bank group, can hold any beneficial interest in the share capital of a company (and such other investment, interest or right as may be prescribed by the MAS) (“**equity investment**”), whether involved in financial business or not, so long as such equity investment does not exceed in the aggregate 2% of the capital funds of the bank or such other percentage as the MAS may prescribe. Such a restriction on a bank’s equity investment does not apply to any interest held by way of security in the ordinary course of the bank’s business or to any shareholding or interest acquired or held by a bank in the course of satisfaction of debts due to the bank, where such interest is disposed of at the earliest suitable opportunity. In addition, any major stake approved by the MAS under Section 32 of the Banking Act and any equity investment in a single company acquired or held by a bank when acting as a stabilization manager in relation to an offer of securities issued by the company will not be subject to the restrictions on equity investment described above.

Under section 32 of the Banking Act, a bank in Singapore cannot hold or acquire, directly or indirectly, a major stake in any entity without first obtaining the prior approval of the MAS. A “**major stake**” means: (i) any beneficial interest exceeding 10% of the total number of issued shares or such other measure corresponding to shares in a company as may be prescribed; (ii) control over more than 10% of the voting power such other measure corresponding to voting power in a company as may be prescribed; or (iii) any interest in the entity, by reason of which the management of the company is accustomed or under an obligation, whether formal or informal, to act in accordance with the bank’s directions, instructions or wishes, or where the bank is in a position to determine the policy of the company. For the purposes of this section 32 of the Banking Act, “**entity**” means any body corporate or unincorporated, whether incorporated, formed or established in or outside Singapore.

No bank in Singapore shall hold or acquire, directly or through a subsidiary of the bank or any other company in the bank group, interests in or rights over immovable property, wherever situated, the value of which exceeds in the aggregate 20% of the capital funds of the bank or such other percentage as the MAS may prescribe. A bank is not allowed to engage in property development or management except when it is carrying on property management services in relation to investment properties that are owned by the bank or any company in which the bank has acquired or holds a major stake (in this paragraph, “**financial group**”), properties that have been foreclosed by the financial group in satisfaction of debts owed to it and properties occupied and used in the business of the financial group.

On September 29, 2017, the MAS released a Consultation Paper on the Review of Anti-Commingling Framework for Banks which proposes to refine the anti-commingling framework for banks in two key aspects, including streamlining the conditions and requirements under regulation 23G of the Banking Regulations so as to make it easier for banks to conduct or invest in permissible non-financial businesses that are related or complementary to their core financial businesses, and allowing banks to broaden their ability to provide a fuller suite of services to their customers.

### *Issuance of Covered Bonds*

With effect from December 31, 2013, Singapore-incorporated banks are permitted to issue covered bonds subject to conditions under MAS Notice 648. The aggregate value of assets in the cover pools for all covered bonds issued by the bank and special purpose vehicles on behalf of the bank must not exceed 4% of the value of the total assets of the bank at all times. The total assets of the bank include the assets of the overseas branches of the bank incorporated in Singapore but not its subsidiaries, whether in Singapore or overseas. MAS Notice 648 was amended on June 4, 2015 to refine the regulatory framework governing covered bond issuance and grant further operational flexibility to banks seeking to issue covered bonds in Singapore.

### **Corporate Governance Regulations and Guidelines**

The Guidelines on Corporate Governance for Financial Holding Companies, Banks, Direct Insurers, Reinsurers and Captive Insurers which are Incorporated in Singapore (dated April 3, 2013) (the “**Guidelines**”) comprises the Code of Corporate Governance 2012 (the “**Corporate Governance Code**”) for companies listed on the SGX-ST and supplementary principles and guidelines from the MAS. The Guidelines and the Banking (Corporate Governance) Regulations 2005, define what is meant by an independent director and set out the requirements for the composition of the board of directors and board committees, such as the Nominating Committee, Remuneration Committee, Audit Committee and Risk Management Committee. The Guidelines also set out, *inter alia*, the principle that there should be a clear division of responsibilities between the leadership of the board of directors of a bank and the executive responsibilities of a bank, as well as the principle that there should be a strong and independent element on the board of directors of a bank, which is able to exercise objective judgment on corporate affairs independently, in particular, from the management of the bank and 10% shareholders of the bank (as defined in the Guidelines). The Guidelines also encourage the separation of the roles of Chairman and CEO and outline how this is to be applied. The Guidelines further set out the principle that the board of directors of a bank should ensure that the bank’s related party transactions are undertaken on an arm’s length basis.

The Corporate Governance Code was revised on August 6, 2018. The revised Corporate Governance Code sets out, amongst other things, the principles that there should be (i) a clear division of responsibilities between the leadership of the board of directors and the executive responsibilities of a company’s business, and no one individual has unfettered powers of decision-making and (ii) an appropriate level of independence and diversity of thought and background in the composition of the board of directors of the company, to enable it to make decisions in the best interests of the company. The revised Corporate Governance Code also requires the separation of the roles of Chairman and Chief Executive Officer.

To further enhance the corporate governance of banks, the Banking Act:

- (a) requires a Singapore-incorporated bank to seek the MAS’ approval before it appoints certain key appointment holders (including directors and chief executive officers), and in doing so, the MAS has the power to prescribe the duties of the appointment holders and to specify the maximum term of each appointment;
- (b) empowers the MAS to remove key appointment holders of banks if they are found to be not fit and proper. The grounds for removal of such key appointment holders will be aligned with the criteria for approving their appointment. A Singapore-incorporated bank must also immediately inform the MAS if a key appointment holder is (in accordance with the Guidelines on Fit and Proper Criteria (last revised on October 8, 2018)) no longer a fit and proper person to hold the appointment;

- (c) provides a provision to protect banks' external auditors who disclose, in good faith, information to the MAS in the course of their duties from any liability that may arise from such disclosure;
- (d) empowers the MAS to direct banks to remove their external auditors if they have not discharged their statutory duties satisfactorily and protect banks' external auditors who disclose, in good faith, information to the MAS in the course of their duties from any liability that may arise from such disclosure; and
- (e) empowers the MAS to prohibit, restrict or direct a bank to terminate any transaction that the bank enters into with its related parties if it is deemed to be detrimental to depositors' interests.

### ***Other Requirements***

The MAS issues licenses under the Banking Act to banks to transact banking business in Singapore. Such licenses may be revoked if the MAS is satisfied, among other things, that the bank: (a) is carrying on its business in a manner likely to be detrimental to the interests of the depositors of the bank or has insufficient assets to cover its liabilities to its depositors or the public; (b) is contravening the provisions of the Banking Act; or (c) has been convicted of any offense under the Banking Act or any of its directors or officers holding a managerial or executive position has been convicted of any offense under the Banking Act.

In the event of the winding up of a bank, the following liabilities in Singapore of the bank shall, amongst themselves, rank in the following order of priority: (i) firstly, any premium contributions due and payable by the bank under the Deposit Insurance and Policy Owners' Protection Schemes Act, Chapter 77B of Singapore (the "**Deposit Insurance and Policy Owners' Protection Schemes Act**"); (ii) secondly, liabilities incurred by the bank in respect of insured deposits, up to the amount of compensation paid or payable out of the Deposit Insurance Fund by the Singapore Deposit Insurance Corporation Limited under the Deposit Insurance and Policy Owners' Protection Schemes Act in respect of such insured deposits; (iii) thirdly, deposit liabilities incurred by the bank with non-bank customers, other than those specified in paragraph (ii) above and paragraph (iv) below; (iv) fourthly, deposit liabilities incurred by the bank with non-bank customers when operating an Asian Currency Unit approved under section 77 of the Banking Act other than liabilities referred to in paragraph (ii) above; and (v) fifthly, any sum claimed by the trustee of a resolution fund (within the meaning of section 98 of the MAS Act) from the bank under section 103, 104, 105 or 106 of the MAS Act. As between liabilities of the same class referred to in each of paragraphs (i) to (v) above, such liabilities shall rank equally between themselves. The liabilities specified above shall have priority over all unsecured liabilities of the bank other than the preferential debts specified in Section 203(1) of the Insolvency, Restructuring and Dissolution Act 2018, Act No. 40 of 2018 of Singapore.

On August 4, 2017, the MAS issued the Consultation Paper on Proposed Enhancements to the Deposit Insurance Scheme and Legislative Amendments to the Deposit Insurance and Policy Owners' Protection Schemes Act and Regulations which sets out recommendations to enhance various features of the DI Scheme. Among other things, the MAS proposes to amend the Deposit Insurance and Policy Owners' Protection Schemes Act to effect changes previously proposed in earlier consultations, issued on April 18, 2017 and September 11, 2014, such as the definition of "personal" insurance policy and the introduction of caps on compensation payout for certain property damage claims. The Deposit Insurance and Policy Owners' Protection Schemes Act was amended pursuant to the Deposit Insurance and Policy Owners' Protection Schemes (Amendment) Act 2018 with effect from April 1, 2019. Following the amendments, the deposit insurance coverage limit was raised from S\$50,000 to S\$75,000.

Section 48AA of the Banking Act (as amended by the Banking (Amendment) Act 2016 (the “**Banking Amendment Act 2016**”) with effect from November 30, 2018) requires banks to inform the MAS of any development that materially affects the bank adversely, and in the case of Singapore-incorporated banks, any development that materially affects the bank or its related entities adversely.

Currently, banks in Singapore have to maintain separate accounting units for their domestic banking unit (“**DBU**”) and their Asian currency unit (“**ACU**”). The MAS announced in June 2015 that it will remove the DBU-ACU divide. On August 31, 2015, the MAS issued a consultation paper entitled “*Removing the DBU-ACU Divide – Implementation Issues*”, setting out the proposed consequential amendments to regulatory requirements following the removal of the DBU-ACU divide. In particular, the MAS proposed to make consequential amendments to Section 62 of the Banking Act to remove references to the ACU and to provide instead that Singapore dollar deposit liabilities incurred by the bank with non-bank customers would rank above foreign currency denominated deposit liabilities incurred by the bank with non-bank customers (but behind premium contributions under the Deposit Insurance and Policy Owners’ Protection Schemes Act and liabilities in respect of insured deposits).

The MAS has subsequently released a consultation paper entitled “Proposed Amendments to the Banking Act” dated February 7, 2019 (the “**February 7, 2019 Banking Act Consultation Paper**”), in which in addition to the DBU-ACU related amendments, the MAS proposed to amend the Banking Act to, among other things, strengthen the licensing and regulation of banks and credit card or charge card licensees and formalise existing supervisory requirements. The MAS issued its feedback to response received on November 5, 2019. The Banking (Amendment) Act 2020 was passed on January 6, 2020 and gazetted on February 13, 2020. It will, when it comes into effect, remove the DBU-ACU divide.

### ***Resolution Powers***

Under the MAS Act and the Banking Act, the MAS has resolution powers in respect of Singapore licensed banks. Broadly speaking, the MAS has powers to (amongst other things) assume control of a bank, impose moratoriums, temporarily stay termination rights of counterparties, order compulsory transfers of business or shares and impose requirements relating to recovery and resolution planning.

The MAS has published a series of consultation papers on proposed enhancements to the resolution regime for financial institutions in Singapore. These consultation papers contain proposals to enhance the MAS’ resolution powers in areas such as recovery and resolution planning, temporary stays on termination rights, statutory bail-in powers, cross-border recognition of resolution actions, creditor compensation framework and resolution funding arrangements. The MAS Amendment Act was gazetted on August 1, 2017 and incorporates the proposed legislative amendments to enhance the resolution regime.

The MAS Amendment Act has largely come into operation, and most of the relevant amendments relating to the resolution framework have come into force from October 29, 2018. To support the implementation of the changes, the Monetary Authority of Singapore (Resolution of Financial Institutions) Regulations 2018 (the “**RFI Regulations**”) have been issued and also took effect from October 29, 2018. The MAS’ resolution powers include among other things, statutory powers allowing the MAS to temporarily stay early termination rights (including set-off and netting rights) of counterparties to financial contracts entered into with a financial institution over which the MAS may exercise its resolution powers (which would include Singapore licensed banks), a statutory bail-in regime, cross-border recognition of resolution action, creditor safeguards and resolution funding.

Pursuant to the MAS Amendment Act, the MAS is empowered under Division 4A of Part IVB of the MAS Act to write down or convert a financial institution's debt into equity. The entities subject to the statutory bail-in powers of the MAS are presently limited to Singapore-incorporated banks and Singapore-incorporated bank holding companies (each a "**Division 4A financial institution**"). The classes of instruments subject to the bail-in are:

- (a) any equity instrument or other instrument that confers or represents a legal or beneficial ownership in the Division 4A financial institution except an ordinary share;
- (b) any unsecured liability or other unsecured debt instrument that is subordinated to unsecured creditors' claims of the Division 4A financial institution that are not so subordinated; and
- (c) any instrument that provides for a right for the instrument to be written down, canceled, modified, changed in form or converted into shares or another instrument of ownership, when a specified event occurs,

but do not include any instrument issued before November 29, 2018, or a derivatives contract as defined in regulation 9(2) of the RFI Regulations.

In the event of bail-in, all shareholders' voting rights on matters which require shareholders' approval will be suspended until the Minister has published a notice in the Gazette that the moratorium ceases to apply. In respect of any person who becomes a significant shareholder (i.e. if they have reached the relevant shareholding thresholds) as a result of the bail-in, the Minister may serve a written notice on that person if:

- (a) the MAS is not satisfied that:
  - (i) the person is, in accordance with the Guidelines on Fit and Proper Criteria, a fit and proper person to be a significant shareholder; and
  - (ii) having regard to the likely influence of the person on it, the Division 4A financial institution or an entity established or incorporated to do one or both of the following: (A) temporarily hold and manage the assets and liabilities of the Division 4A financial institution; and/or (B) do any act for the orderly resolution of the Division 4A financial institution ("**resulting financial institution**") will or will continue to conduct its business prudently and comply with the provisions of the MAS Act and the relevant Act applicable to it; or
- (b) the Minister is not satisfied that:
  - (i) in a case where the Division 4A financial institution or resulting financial institution is a bank incorporated in Singapore, it is in the national interest for the person to remain a significant shareholder of the Division 4A financial institution or resulting financial institution, as the case may be; or
  - (ii) in any other case, it is in the public interest for the person to remain a significant shareholder of the Division 4A financial institution or resulting financial institution, as the case may be.

Where the Minister has served such a notice, then, until the person has disposed of or transferred the shares specified in the notice and in accordance with the notice:

- (i) no voting rights are exercisable in respect of the specified shares except with the permission of the Minister, whether or not a notice under section 77(2) is published that the provision has ceased to apply;

- (ii) no shares of the Division 4A financial institution or resulting financial institution (as the case may be) may be issued or offered (whether by way of rights, bonus or otherwise) in respect of the specified shares except with the permission of the Minister; and
- (iii) except in a liquidation of the Division 4A financial institution or resulting financial institution (as the case may be), the Division 4A financial institution or resulting financial institution may not make any payment (whether by way of dividends or otherwise) in respect of the specified shares except with the permission of the Minister.

This will ensure that only fit and proper persons can exercise voting rights attached to significant stakes in the financial institution. When exercising its bail-in powers, the MAS must have regard to the desirability of giving each pre-resolution creditor or pre-resolution shareholder of the Division 4A financial institution the priority and treatment the pre-resolution creditor or pre-resolution shareholder would have enjoyed had the Division 4A financial institution been wound up.

In addition, the amendments effected under the MAS Amendment Act empower the MAS to subject a bank to recovery and resolution planning requirements by issuing a direction under section 43(1) of the MAS Act to the bank (a “**notified bank**”). A notified bank must comply with the recovery and resolution planning requirements under MAS Notice 654 on Recovery and Resolution Planning which was issued on January 30, 2019, including the requirement to prepare, review and keep up-to-date a recovery plan that sets out a framework of recovery triggers (i.e. points at which appropriate recovery options may be taken) and an escalation process upon the occurrence of a trigger event, among other things.

#### ***Examinations and Reporting Arrangements for Banks***

The MAS conducts on-site examinations of banks. Banks are also subject to annual audit by an external auditor approved by the MAS, who, aside from the annual balance sheet and profit and loss account must report to the MAS immediately if in the course of the performance of his duties as an auditor of the bank, he is satisfied that: (a) there has been a serious breach or non-observance of the provisions of the Banking Act or that otherwise a criminal offense involving fraud or dishonesty has been committed; (b) losses have been incurred which reduce the capital funds of the bank by 50%; (c) serious irregularities have occurred, including irregularities that jeopardize the security of the creditors; or (d) he is unable to confirm that the claims of creditors are still covered by the assets.

In the February 7, 2019 Banking Act Consultation Paper, as a consequence of the impending removal of the DBU-ACU divide, the MAS has proposed to introduce a new reporting benchmark wherein the auditor must report to the MAS immediately if he becomes aware of any development that has occurred or is likely to occur which he has reasonable grounds to believe has materially affected adversely, or is likely to materially affect adversely, the financial soundness of the bank. With the new reporting benchmark, limb (b) above would no longer apply to all banks, but only to banks incorporated in Singapore.

The MAS has discontinued the mandatory audit firm rotation policy for local banks. On July 17, 2018, the MAS canceled MAS Notice 615 on Appointment of Auditors (“**MAS Notice 615**”) dated March 27, 2002 and issued a new MAS Notice 615 (which took effect on the July 18, 2018) pursuant to which banks incorporated and headquartered in Singapore will have to conduct a public tender for the reappointment of an auditor who has been appointed for a period of ten or more consecutive financial years following the last conduct of a public tender. The implementation timeline will be the financial year ending December 31, 2020 for banks with incumbent auditors for more than ten consecutive years; and the financial year ending December 31, 2022 or ten years after the commencement of the audit engagement, whichever is later, for banks with incumbent auditors for up to ten consecutive years as of December 31, 2017.

Under section 58 of the Banking Act (as amended by the Banking Amendment Act 2016 with effect from November 30, 2018) the MAS is empowered to direct banks to remove their external auditors if the MAS is not satisfied with the performance of any duty by the auditors of those banks.

All banks in Singapore are required to submit periodic statistical returns, financial reports and auditors' reports to the MAS, including returns covering minimum cash balances and liquidity returns, statements of assets and liabilities and total foreign exchange business transacted.

The MAS may also require ad hoc reports to be submitted.

### ***Directors and Executive Officers of Banks***

A bank incorporated in Singapore must not permit a person who is subject to certain circumstances set out in Section 54(1) of the Banking Act (for example where the person is an undischarged bankrupt, whether in Singapore or elsewhere) to act as its executive officer or director without the prior written consent of the MAS. The MAS may also direct the removal of a director of a bank in Singapore which is incorporated in Singapore or executive officer of a bank in Singapore if the MAS is satisfied that the director or executive officer (as the case may be) is not a fit and proper person under Section 54(2) of the Banking Act.

The grounds for removal of directors and executive officers will be aligned with the criteria for approving their appointment. Banks will also be required to notify the MAS of any development that could affect the fitness and propriety of their key appointment holders.

### ***Financial Benchmarks***

The SFA Amendment Act was gazetted on February 16, 2017, and came into force on October 8, 2018. Among other things, the SFA Amendment Act introduced a legislative framework for the regulation of financial benchmarks through a new Part VIAA in the SFA. The SFA Amendment Act (a) introduces specific criminal and civil sanctions under the SFA for manipulation of any financial benchmark (including SIBOR, SOR and Foreign Exchange spot benchmarks), and (b) subjects the setting of key financial benchmarks (which are designated as "designated benchmarks" by the MAS) to regulatory oversight. Benchmark administrators and benchmark submitters of designated benchmarks are subject to regulatory requirements under the SFA.

The Securities and Futures (Financial Benchmark) Regulations 2018 were issued on October 8, 2018, and set out the admission, ongoing conduct and other requirements which apply to benchmark administrators and benchmark submitters of designated benchmarks. Pursuant to the Securities and Futures (Designated Benchmarks) Order 2018, the MAS designated the SIBOR and SOR as designated benchmarks with effect from October 8, 2018.

On August 30, 2019, the MAS announced the establishment of SC-STS to oversee an industry-wide benchmark transition from SOR to SORA. In addition, the ABS and the SFEMC released a consultation report "Roadmap for Transition of Interest Rate Benchmarks: From SOR to SORA" identifying SORA as the alternative interest rate benchmark to SOR, envisaging a phased transition over two years. On March 19, 2020, the SC-STS released its response to feedback received on the consultation report in which the SC-STS noted that overall, there was broad support for the proposed transition roadmap and approach set out in the consultation report. In its response, the SC-STS also outlined its key priorities and updated transition roadmap to achieve a smooth transition from SOR to SORA as the new interest rate benchmark for the SGD cash and derivatives markets.



## **Framework for Systemically Important Banks in Singapore**

OCBC was designated as a D-SIB in Singapore on April 30, 2015. The framework for D-SIBs is set out in the MAS' information paper on the MAS' Framework for Impact and Risk Assessment of Financial Institutions (revised in September 2015), which builds on the proposals set out in the MAS Consultation Paper on the Proposed Framework for Systemically Important Banks in Singapore dated June 25, 2014. Broadly, D-SIBs will be subject to more intensive supervision by the MAS than banks which are not so designated. In particular, there is no assurance that the MAS will not impose increased capital adequacy or liquidity requirements on D-SIBs, which may have an adverse effect on OCBC's return on capital and profitability.

## **Supervision by Other Agencies**

Our overseas operations are also supervised by the regulatory agencies in their respective jurisdictions.

Apart from being supervised by the MAS, our stockbroking and futures trading arms are also supervised by the Singapore Exchange Limited.

## **Singapore Insurance Industry**

The MAS also regulates and supervises licensed insurers in Singapore. The insurance regulatory framework in Singapore consists mainly of the Insurance Act, Chapter 142 of Singapore (the "**Insurance Act**") and its related regulations, as well as the relevant notices, guidelines, circulars and practice notes issued by the MAS. With effect from April 18, 2013, the Insurance Act was amended by the Insurance (Amendment) Act 2013 (No. 11 of 2013) to, *inter alia*, enhance the powers of the MAS under the Insurance Act to meet its supervisory objectives, to improve the clarity or consistency of existing policy, to align the Insurance Act with other MAS-administered statutes and to repeal certain provisions which have become obsolete. The MAS has issued several consultation papers with proposals to make amendments to certain aspects of the insurance regulatory framework (including (a) to clarify MAS' expectations on insurers' charging of expenses to participating funds and set out additional requirements to bring about consistent and appropriate charging of such expenses, so as to safeguard policy owners' interests, (b) to impose a contractual recognition requirement on any foreign law governed financial contract entered into by a qualifying pertinent financial institution (which includes a licensed insurer in Singapore) that is required to perform recovery and resolution planning, wherein all parties to that financial contract must agree that their exercise of any of the termination rights may be subject to MAS' stay powers under sections 83 and 84 of the MAS Act, and (c) to introduce guidelines on environmental risk management to enhance insurers' resilience to and management of environmental risk), which, if implemented, may affect the contents of this section. This section does not address the proposals outlined in the consultation papers issued by the MAS. This section sets out certain key regulations applicable to licensed insurers in the conduct of their insurance business, and does not address the regulatory framework applicable to insurance intermediaries (whether or not agents or employees of licensed insurers) whether in respect of life or non-life policies.

The holding company of a Singapore licensed insurer could also be subject to regulation if required to be approved as a financial holding company under Section 28 of the MAS Act. The requirements pertaining to financial holding companies will be enhanced when the Financial Holding Companies Act 2013 (“**FHC Act**”) becomes effective. The FHC Act was gazetted in Parliament on April 8, 2014. The FHC Act was introduced to establish the regulatory framework for designated Singapore-incorporated financial holding companies with one or more Singapore incorporated bank or insurance subsidiaries. The salient provisions in the FHC Act relate to:

- (a) a requirement to provide the MAS with information requested by the MAS for supervision purposes;
- (b) restrictions on the use of the name, logo and trademark of a designated financial holding company;
- (c) restrictions on the activities of a designated financial holding company;
- (d) restrictions on the shareholding and control of a designated financial holding company;
- (e) limits on exposures and investments;
- (f) minimum asset requirements;
- (g) minimum capital and capital adequacy requirements;
- (h) leverage ratio requirements;
- (i) supervision and reporting requirements; and
- (j) approval requirements for the appointment of directors and chief executives.

Some of these requirements remain to be specified in subsidiary legislation or notices to be issued by the MAS, for instance, minimum liquid assets, capital adequacy and leverage ratio.

The FHC Act provides for transition periods for designated financial holding companies to comply with various provisions in the specific provisions and a general power for the Minister for Finance to prescribe by regulations, for a period of two years from the commencement of operation of any provision, transitional provisions consequent on the enactment of that provision.

Great Eastern Holdings is approved as a Financial Holding Company under Section 28 of the MAS Act and is subject to requirements imposed by the MAS. The FHC Act will be applicable to Great Eastern Holdings when it comes into operation. Great Eastern Holdings’ subsidiary, Great Eastern Life is incorporated with limited liability in Singapore and is a direct insurer licensed to carry on life insurance business under the Insurance Act. Great Eastern Holdings’ subsidiary GEG is incorporated with limited liability in Singapore and is a licensed direct insurer under the Insurance Act and holds a composite license to carry on both life insurance business and general insurance business. GEG currently only sells general insurance.

Great Eastern Life is included by the Central Provident Fund (“**CPF**”) Board as an insurer under the CPF Investment Scheme, where CPF monies may, subject to certain conditions, be used by CPF members to purchase investment-linked insurance policies issued by Great Eastern Life if such policies are also included under the CPF Investment Scheme.

### ***Exempt Financial Adviser Status of Great Eastern Life***

As a company licensed under the Insurance Act, Great Eastern Life is an exempt financial adviser under the FAA in relation to (a) advising others (other than advising on corporate finance within the meaning of the SFA) either directly or through publications or writings, and whether in electronic, print or other form, concerning life policies, (b) advising others by issuing or promulgating research analyses or research reports, whether in electronic, print or other form, concerning life policies and (c) arranging of any contract of insurance in respect of life policies. As an exempt financial adviser, Great Eastern Life is subject to certain conduct of business and other requirements applicable under the FAA and its related regulations, notices, guidelines, practice notes, circulars and information papers.

### ***Supervisory Powers of the Monetary Authority of Singapore***

Under the Insurance Act, the MAS has, among other things, the power to impose conditions on a licensed insurer and may add to, vary or revoke any existing conditions of the license. In addition, the MAS may issue such directions as it may consider necessary for carrying into effect the objects of the Insurance Act and may at any time vary, rescind or revoke any such directions. The MAS may also issue such directions to an insurer as it may consider necessary or assume control of and manage such of the business of the insurer as it may determine, or appoint one or more persons as statutory manager to do so, where, among other things, it is satisfied that the affairs of the insurer are being conducted in a manner likely to be detrimental to the public interest or the interests of the policy owners or prejudicial to the interests of the insurer. The MAS is also empowered to cancel the license of an insurer on certain grounds.

### ***Special Financial Relief Programme***

In response to the COVID-19 outbreak, the MAS, LIA and GIA introduced a Special Financial Relief Programme for individuals and small and medium enterprises. Amongst other things, the relief measures allow individuals with life and health insurance policies with a policy renewal or premium due date between April 1 and September 30, 2020 to apply to their insurer to defer premium payments for up to six months while maintaining insurance coverage during this period, and individuals with general insurance policies, such as for property and vehicles, to apply to their general insurance company for instalment payment plans while maintaining insurance protection.

In connection with these measures, MAS has released updates to certain MAS notices, such as MAS Notice 115, MAS Notice 115B, MAS Notice 118 and MAS Notice 128A.

### ***Capital Requirements***

A licensed insurer is required at all times to maintain a minimum level of paid-up ordinary share capital. A licensed insurer incorporated in Singapore must obtain the prior written approval of the MAS to reduce its paid-up ordinary share capital or redeem any preference share. Further, a licensed insurer which is incorporated in Singapore is required to notify the MAS of its intention to issue any preference share or certain instruments prior to the date of issue of the preference share or instrument.

The MAS issued the RBC 2 Review on June 22, 2012 followed by a second and third consultation paper on March 26, 2014 and July 15, 2016 respectively. First introduced in 2004, the risk-based capital framework:

- (a) adopts a risk-focused approach to assessing capital adequacy and seeks to reflect the relevant risks that insurers face;

- (b) prescribes minimum capital which serves as a buffer to absorb losses; and
- (c) provides clearer information on the financial strength of insurers and facilitates early and effective intervention by MAS, where necessary.

The MAS has stated that the RBC 2 Review is not intended to result in a significant overhaul to the existing framework. Instead, it seeks to improve the comprehensiveness of the risk coverage and the risk sensitivity of the framework as well as define more specifically the MAS' supervisory approach with respect to the solvency intervention levels. The MAS has also stated that insurers in Singapore are well-capitalized and the objective of RBC 2 is therefore not to raise the industry's overall regulatory capital requirements, but to ensure that the framework for assessing capital adequacy is more aligned to an insurer's business activities and risk profiles. The MAS will work with the industry on the implementation date later after the design is more firmed up. The MAS has noted from previous consultations that the industry has indicated that it would need at least two years after the finalization of the framework to implement RBC 2 and has stated that the industry will be given sufficient time to prepare for the implementation of RBC 2. On February 28, 2020, the MAS concluded the RBC 2 Review by issuing the Insurance (Valuation and Capital) (Amendment) Regulations 2020 (which amend the existing Insurance (Valuation and Capital) Regulations 2004) and the new MAS Notice 133 on Valuation and Capital Framework for Insurers ("**MAS Notice 133**"). The Insurance (Valuation and Capital) (Amendment) Regulations 2020 and MAS Notice 133, which specify fund solvency requirements and capital adequacy requirements for a licensed insurer, came into effect on March 31, 2020.

According to the Insurance (Valuation and Capital) Regulations 2004 and MAS Notice 133, a licensed insurer must at all times maintain its fund solvency requirement at the adjusted fund level and the capital adequacy requirement at the company level.

An adjusted fund is:

- (a) a participating fund established and maintained by a licensed insurer under the Insurance Act that relates to Singapore policies;
- (b) a participating fund established and maintained by a licensed insurer under the Insurance Act that relates to offshore policies;
- (c) the aggregate of the following insurance funds (if any) established and maintained by a licensed insurer under the Insurance Act that relate to Singapore policies:
  - (i) a non-participating fund;
  - (ii) an investment-linked fund;
  - (iii) a general fund; or
- (d) the aggregate of the following insurance funds (if any) established and maintained by a licensed insurer under the Insurance Act that relate to offshore policies:
  - (i) a non-participating fund;
  - (ii) an investment-linked fund;
  - (iii) a general fund.

Under regulation 4(1) of the Insurance (Valuation and Capital) Regulations 2004 and MAS Notice 133, the fund solvency requirement in respect of an insurance fund established and maintained by a licensed insurer under the Insurance Act is that the total assets of the fund must not at any time be less than the total liabilities of the fund. The fund solvency requirement of an adjusted fund is that the financial resources of the adjusted fund must not at any time be less than:

- (a) the amount of the total risk requirement of the adjusted fund at the higher solvency intervention level; and
- (b) the amount of the total risk requirement of the adjusted fund at the lower solvency intervention level.

A licensed insurer is also required always to satisfy its capital adequacy requirement, which is that its financial resources must not at any time be less than:

- (a) the higher of the following:
  - (i) the amount of the total risk requirement of the licensed insurer at the higher solvency intervention level;
  - (ii) S\$5 million; and
- (b) the higher of the following:
  - (i) the amount of the total risk requirement of the licensed insurer at the lower solvency intervention level;
  - (ii) S\$5 million.

A licensed insurer must also ensure that at all times: (a) where it is an insurer incorporated in Singapore, the Common Equity Tier 1 (“**CET1**”) Capital ratio which is determined as the ratio of the CET1 Capital over the sum of total risk requirements (excluding the risk requirements of participating funds) is not less than 60%; and (b) the Tier 1 Capital ratio which is determined as the ratio of the Tier 1 Capital over the sum of total risk requirements (excluding the risk requirements of participating funds) is not less than 80%.

The fund solvency requirement and capital adequacy requirement must be met at two supervisory solvency intervention levels, namely the higher solvency intervention level and the lower solvency intervention level. Each of the “financial resources” of an insurer and insurance fund, the “higher solvency intervention level”, “lower solvency intervention level” and the “total risk requirement” is determined, and assets and liabilities are valued, in accordance with the requirements of the Insurance (Valuation and Capital) Regulations 2004, the MAS Notice 133 on Valuation and Capital Framework for Insurers, the MAS Guidelines on Valuation of Policy Liabilities of General Business and the MAS Guidelines on Use of Internal Models for Liability and Capital Requirements for Life Insurance Products Containing Investment Guarantees with Non-Linear Payouts, where applicable. The MAS has stated that the MAS Guidelines on Valuation of Policy Liabilities of General Business will be canceled and it will issue updated guidelines on the preparation of the actuarial investigation report in the second quarter of 2020.

A licensed insurer is required to immediately notify the MAS when it becomes aware that the fund solvency requirement or the capital adequacy requirement is not satisfied or is not likely to be satisfied in accordance with section 18(1) of the Insurance Act. The MAS has the authority to direct that the insurer satisfy fund solvency or capital adequacy requirements other than those that the insurer is required to maintain under the Insurance Act if the MAS considers it appropriate. The MAS also has the power to impose directions on the insurer, and direct the insurer to carry on its

business in such manner and in accordance with such conditions as imposed by the MAS in the event that it is notified of any failure or likely failure, or is aware of any inability, of the insurer to comply with the fund solvency or capital adequacy requirement described above.

The MAS also has the general power to impose asset maintenance requirements.

### ***Policy Owners' Protection Scheme***

The Singapore Deposit Insurance Corporation Limited ("**SDIC**") administers the Policy Owners' Protection Scheme (the "**PPF Scheme**") in accordance with the Deposit Insurance and Policy Owners' Protection Schemes Act for the purposes of compensating (in part or whole) or otherwise assisting or protecting insured policy owners and beneficiaries in respect of the insured policies issued by PPF Scheme members and for securing the continuity of insurance for insured policy owners as far as reasonably practicable. PPF Scheme members essentially comprise direct insurers licensed to carry on life business under the Insurance Act (other than captive insurers) and direct insurers licensed to carry on general business under the Insurance Act (other than captive insurers or specialist insurers), in each case, which are not exempted from the requirement to be a PPF Scheme member.

There are two funds established under the PPF Scheme, namely the Policy Owners' Protection Life Fund (the "**PPF Life Fund**") to cover insured policies comprised in insurance funds established and maintained under Section 17 of the Insurance Act by direct insurers licensed to carry on life business and the Policy Owners' Protection General Fund (the "**PPF General Fund**") to cover insured policies comprised in insurance funds established and maintained under Section 17 of the Insurance Act by direct insurers licensed to carry on general business.

As PPF Scheme members, each of Great Eastern Life and GEG is required to pay a levy for any premium year or part thereof in respect of the insured policies issued by it. The levy rates for the purposes of computing the levies payable by PPF Scheme members are assessed and determined by the MAS. Where the MAS is of the opinion that there are insufficient moneys in the PPF Life Fund or the PPF General Fund, as the case may be, to pay any compensation due to insured policy owners or beneficiaries, or to fund any transfer or run-off of the insurance business of any failed PPF Scheme member under the Deposit Insurance and Policy Owners' Protection Schemes Act, the MAS may, with the concurrence of SDIC, require PPF Scheme members to pay additional levies for any premium year or part thereof and determine the levy rate(s) for the purposes of computing the additional levies.

### ***Asset Management***

MAS Notice 125 on Investments of Insurers sets out the basic principles that govern the oversight of investment activities of an insurer and the investments of its insurance funds, and in the case of an insurer that is incorporated or established in Singapore, the investments of both its insurance funds and its shareholders' funds. It contains requirements relating to, among other things, the oversight by the board of directors and senior management, the various reports to be made by the investment committee to the board of directors at the prescribed frequency, duties of the investment committee, asset-liability management and permitted derivatives activities.

MAS Notice 105 on Insurer's Appointment of Custodians, requires a licensed insurer to ensure that every custodian and, where applicable, sub-custodian, which holds any asset of its insurance fund established and maintained under section 17 of the Insurance Act ("**insurance fund asset**"), is licensed, approved, registered or otherwise regulated for its business or activity of providing custodial services by the relevant authority in the jurisdiction where the respective custody account or sub-custody account is maintained. A licensed insurer must also ensure:

- (a) that insurance fund assets held by a custodian or sub-custodian, as the case may be, are kept separate from the assets of the custodian or the sub-custodian, respectively;
- (b) that the extent of the custodian's liability in the event of any loss caused by fraud, wilful default or negligence on the part of the custodian, its sub-custodians or its agents is agreed upon in writing with the insurer;
- (c) that any material or systemic breach of the custody agreement between the custodian and the insurer must be brought to the insurer's attention as soon as possible; and
- (d) that, except as agreed in writing with the insurer, a custodian or a sub-custodian, with whom the insurance fund assets are held in a custody account or subaccount, does not:
  - (i) withdraw any of the insurance fund assets; or
  - (ii) take any charge, mortgage, lien or other encumbrance over, or in relation to any of the insurance fund assets.

MAS Notice 320 on Management of Participating Life Insurance Business ("**MAS Notice 320**") requires a direct life insurer which has established or will be establishing a participating fund to put in place an internal governance policy on the management of its participating life insurance business. The insurer must, among other things, ensure that the participating fund is managed in accordance with the rules and guiding principles set out in the internal governance policy.

Under section 30B of the Insurance Act, no licensed insurer that is established or incorporated in Singapore shall acquire or hold, directly or indirectly, a major stake in any corporation without the prior approval of the MAS and any approval granted by the MAS may be subject to such conditions as determined by the MAS, including any condition relating to the operations or activities of the corporation.

### ***Separate Insurance Funds***

Every licensed insurer is required to establish and maintain a separate insurance fund (a) for each class of insurance business carried on by the insurer that (i) relates to Singapore policies and (ii) relates to offshore policies; (b) in the case of a direct insurer licensed to carry on life insurance business, for its investment-linked policies and for its non-investment-linked policies; and (c) if, in the case of a direct insurer licensed to carry on life insurance business, no part of the surplus of assets over liabilities from the insurer's non-participating policies is allocated by the insurer by way of bonus to its participating policies, in respect of its non-investment-linked policies (i) for its participating policies and (ii) for its non-participating policies.

MAS Notice 101 on Maintenance of Insurance Funds and MAS Guidelines on Implementation of Insurance Fund Concept provide further guidance and requirements on, among other things, the establishment and maintenance of insurance funds and the segregation of the assets of licensed insurers in Singapore as required under the Insurance Act. The Insurance Act also prescribes requirements relating to, among other things, withdrawals from the insurance funds, and insurance funds consisting wholly or partly of participating policies.

All receipts of the insurer properly attributable to the business to which an insurance fund relates (including the income of the fund) must be paid into that fund, and the assets in the insurance fund shall apply only to meet such part of the insurer's liabilities and expenses as is properly so attributable.

### ***Reinsurance***

MAS Notice 114 on Reinsurance Management sets forth the mandatory requirement for direct insurers to submit annual returns pertaining to their outward reinsurance arrangements and exposures to their top 10 reinsurance counterparties as well as the guiding principles relating to the oversight of the reinsurance management process of insurers (which includes the principle that the board of directors and senior management of an insurer should develop, implement and maintain a reinsurance management strategy appropriate to the operations of the insurer to ensure that the insurer has sufficient resources to meet obligations as they fall due), the classification of a contract as a reinsurance contract, and the assessment of significant insurance risk transfer. In addition, the MAS has issued MAS Guidelines on Risk Management Practices for Insurance Business – Core Activities, which provide further guidance on risk management practices in general, relating to, among other things, reinsurance management.

### ***Regulation of Products***

A direct insurer licensed to carry on life business may only issue a life policy or a long-term accident and health policy if the premium chargeable under the policy is in accordance with rates fixed with the approval of an appointed actuary or, where no rates have been so fixed, is a premium approved by the actuary.

A direct life insurer is required under MAS Notice 302 on Product Development and Pricing ("**MAS Notice 302**") to exercise prudent management oversight on the pricing and development of insurance products and investment-linked policy sub-funds, and to, before offering certain new products, either obtain the approval of, or notify, the MAS, as the case may be. Such request for approval or notification shall include information on, among other things, the tables of premium rates. MAS Notice 302 also sets forth prohibited payout features and requirements relating to disclosure to policyholders and persons entitled to payment of the policy moneys under a policy who have exercised a certain settlement option. MAS Notice 302 has been amended to take into account the approval requirements which apply to the Direct Purchase Insurance Products ("**DPIs**"). In relation to DPIs, the MAS issued MAS Notice 321 on Direct Purchase Insurance Products ("**MAS Notice 321**") on May 13, 2016 which imposes specific obligations on a direct life insurer in respect of DPIs and also requires insurers to obtain written approval from the MAS before offering any new or re-priced DPI for sale to the public.

In addition, the MAS has issued the MAS Guidelines on Risk Management Practices for Insurance Business – Core Activities, which provide further guidance on risk management practices in general, relating to, among other things, product development and pricing.

There are also mandatory requirements and non-mandatory standards which would apply under MAS Notice 307 on Investment-Linked Policies to investment-linked policies relating to, among other things, disclosure, investment guidelines, borrowing limits and operational practices. Licensed insurers are required to provide for a free-look period for life policies, and accident and health policies with a duration of one year or more.

### ***Market Conduct Standards***

MAS Notice 306 on Market Conduct Standards for Life Insurers Providing Financial Advisory Services as Defined under the Financial Advisers Act ("**MAS Notice 306**") imposes certain requirements on direct life insurers which provide financial advisory services under the FAA



relating to, among other things, training and competency requirements, prohibition against subsidized loans to representatives out of life insurance funds, establishing a compliance unit, taking disciplinary action against representatives for misconduct, and allocation/non-allocation of income and expenses to the life insurance funds. The MAS Notice 318 on Market Conduct Standards for Direct Life Insurer as a Product Provider (“**MAS Notice 318**”) also imposes certain requirements on direct life insurers as product providers of life policies relating to, among other things, standards of disclosure and restrictions on the sales process and the replacement of life policies.

MAS Notice 211 on Minimum and Best Practice Training and Competency Standards for Direct General Insurers requires direct general insurers to only enter into insurance contracts arranged by agents or staff with requisite registration and minimum qualification requirements (unless exemptions apply), and requires direct general insurers to ensure that staff of certain agents who sell or provide sales advice on the insurers’ products are adequately trained and that front-end operatives meet the qualification requirements (unless exemptions apply) before they are allowed to provide sales advice on or sell general insurance products or handle claims. MAS Notice 211 was also revised as of July 6, 2015 to (among other things) clarify that the requirements similarly apply to outsourced claims handlers, with the amendments taking effect on July 20, 2015. Non-mandatory best practice standards apply to direct general insurers to implement training and competency plans for front-end operatives. The MAS Guidelines on Market Conduct Standards and Service Standards for Direct General Insurers set out the standards of conduct expected of direct general insurers as product providers of insurance policies.

In respect of health insurance products, direct insurers must ensure, among other things, that any individual employed by them or who acts as their insurance agent or appointed representative pass the examination requirements specified in MAS Notice 117 on Training and Competency Requirement: Health Insurance Module (unless exemptions apply) and are prohibited from accepting business in respect of any health insurance product from any individual whom they employ or who acts as their insurance agent and who has not met such requirements. The MAS Notice 120 on Disclosure and Advisory Process Requirements for Accident and Health Insurance Products sets out both mandatory requirements and best practice standards on the disclosure of information and provision of advice to insureds for accident and health policies and life policies that provide accident and health benefits. In 2015, the MAS reviewed the regulatory framework for accident and health insurance products and amended MAS Notices 117 and 120. The changes largely pertain to Medisave-approved Integrated Shield Plans (“**IPs**”) but extend in part to all accident and health policies. The changes include enhanced disclosure requirements, stronger protection measures for policyholders, and improved quality of conduct of intermediaries selling accident and health insurance.

MAS Notice 320 on Management of Participating Life Insurance Business requires a direct life insurer to comply with certain disclosure requirements for product summaries, and annual bonus updates, in relation to its participating policies.

The Insurance (Remuneration) Regulations 2015, which came into force on January 1, 2016, set out certain requirements in connection with the payment of remuneration in relation to the provision of any financial advisory service in connection with any life policy, or the sale of any life policy following the provision of any financial advisory service.

The MAS implemented financial advisory industry review (“**FAIR**”) initiatives such as a web aggregator, which allows consumers to compare life insurance products from various companies using a web portal, and direct channel purchase in April 2015. The re-issuance of MAS Notice 322 on Information to be Submitted Relating to the Web-Aggregator has come into effect on January 1, 2016, specifically detailing the information required to be submitted for the purposes of the web-aggregator.

Various industry codes of practice also apply to insurers, including codes/guidelines issued by the LIA and the GIA.

In addition, there are rules in the Insurance Act and the relevant regulations, notices, guidelines and circulars relating to the granting of loans, advances and credit facilities by insurers, which insurers have to comply with if they conduct such activities.

### **Corporate Governance**

Direct insurers that are incorporated in Singapore are subject to the MAS Guidelines on Corporate Governance for Financial Holding Companies, Banks, Direct Insurers, Reinsurers and Captive Insurers which are Incorporated in Singapore. These guidelines provide guidance on best practices that certain financial institutions, including direct insurers that are incorporated in Singapore, should strive to achieve in relation to their corporate governance. The guidelines in Annex 1 thereto comprise the Corporate Governance Code for companies listed on the SGX-ST and supplementary principles and guidelines added by the MAS to take into account the unique characteristics of the business of, among other things, insurance. These financial institutions are expected to observe the guidelines in Annex 1 to the fullest extent possible. Financial institutions which are not listed on the SGX-ST should disclose their corporate governance practices and explain deviations from the guidelines on their websites.

The Corporate Governance Code was revised on August 6, 2018. The revised Corporate Governance Code sets out, amongst other things, the principles that there should be (i) a clear division of responsibilities between the leadership of the board of directors and the executive responsibilities of a company's business, and no one individual has unfettered powers of decision-making and (ii) an appropriate level of independence and diversity of thought and background in the composition of the board of directors of the company, to enable it to make decisions in the best interests of the company. The revised Corporate Governance Code also requires the separation of the roles of Chairman and Chief Executive Officer.

In addition, all direct insurers which are incorporated in Singapore (other than marine mutual insurers) are subject to the Insurance (Corporate Governance) Regulations 2013. Among other things, these regulations require an insurer which is established or incorporated in Singapore and in the case of a:

- (a) direct life insurer, whose latest annual audited statement of financial position shows that it has total assets of at least S\$5 billion or its equivalent in any foreign currency;
- (b) direct general insurer or a reinsurer, whose latest annual audited statement of profit and loss shows that it has gross premiums of at least S\$500 million or its equivalent in any foreign currency in its insurance funds and Overseas (Branch) Operations (defined as the income and outgoings of the operations of all branches of the insurer located outside Singapore); and
- (c) direct composite insurer, who satisfies the requirements in (a) above in respect of its total assets or in (b) above in respect of gross premiums for its general business,

(each a "**Tier 1 insurer**") to, subject to certain exceptions, have a board of directors comprising at least a majority of directors who are "independent directors", establish various committees with prescribed responsibilities, and obtain the MAS' prior approval for the appointment of the members of the nominating committee, chief financial officer and chief risk officer. "Independent directors" are directors who are independent from any management and business relationship with the insurer and from any substantial shareholder of the insurer and who have not served on the board of directors of the insurer for a continuous period of nine years or longer. Great Eastern Life and GEG are both Tier 1 insurers.

## ***Asset and Liability Exposures***

MAS Notice 122 on Asset & Liability Exposures for Insurers sets forth various asset and liability exposures reporting requirements and prescribes the form in which the relevant reports are to be made.

A licensed insurer is required to file, among other things, the following in their prescribed formats with the MAS (i) for each quarter, the breakdown of equity securities, breakdown of debt securities, breakdown of loans, breakdown of cash and deposits, breakdown of derivatives, turnover volume of derivatives, breakdown of foreign currency exposure for assets and liabilities and top 10 broker groups with the highest outstanding premiums due, and (ii) annually, the breakdown of assets managed by head office/parent/outsourced entity, breakdown of insurance exposure of Singapore Insurance General Fund, breakdown of insurance exposure of Offshore Insurance (Life and General) Fund and breakdown of assets held by custodian.

## ***Risk Management and Fit and Proper Person***

Broadly, the MAS has issued risk management guidelines applicable to insurers specifically and to financial institutions generally which would apply to licensed insurers.

MAS Notice 126 on Enterprise Risk Management (“**ERM**”) for Insurers sets out ERM requirements and guidelines on how insurers are to identify and manage interdependencies between key risks, and how they are translated into management actions related to strategic and capital planning matters.

MAS Notice 127 on Technology Risk Management sets out requirements relating to technology risk management for licensed insurers. These include requirements for the insurer to have in place a framework and process to identify critical systems, to make all reasonable effort to maintain high availability for critical systems, to establish a recovery time objective of not more than four hours for each critical system, to notify the MAS of a system malfunction or IT security incident, which has a severe and widespread impact on the insurer’s operations or materially impacts the insurer’s service to its customers, to submit a root cause and impact analysis report to the MAS and to implement IT controls to protect customer information from unauthorized access or disclosure.

MAS Notice 132 on Cyber Hygiene sets out cyber security requirements on securing administrative accounts, applying security patching, establishing baseline security standards, deploying network security devices, implementing anti-malware measures and strengthening user authentication.

MAS Technology Risk Management Guidelines set out risk management principles and best practice standards to guide financial institutions (including licensed insurers) in respect of (a) establishing a sound and robust technology risk management framework, (b) strengthening system security, reliability, resiliency, and recoverability, and (c) deploying strong authentication to protect customer data, transactions and systems. Senior officers who have direct knowledge of a financial institution’s information systems and operations should complete a prescribed compliance checklist each year. The MAS has also issued circulars on particular aspects of technology risk management.

Under the MAS Guidelines on Fit and Proper Criteria, the following persons, among others, are required to be “fit and proper” persons: a substantial shareholder of a licensed insurer, a principal officer or director of a licensed insurer, a person having effective control of a licensed insurer, a person having control of a licensed insurer, an appointed actuary, a certifying actuary, and an exempt financial institution and its representatives in relation to activities regulated by the MAS under the FAA. Broadly, the MAS will take into account, among other things, the following criteria in considering whether a person is fit and proper: (i) honesty, integrity and reputation; (ii) competence and capability; and (iii) financial soundness.

### ***Appointment of Chairman, Directors and Key Executive Persons***

A licensed insurer established or incorporated in Singapore must, prior to appointing a person as its chairman, director or key executive person (such persons include the chief executive, deputy chief executive, appointed actuary, certifying actuary, chief financial officer of a Tier 1 insurer, chief risk officer of a Tier 1 insurer and such other person holding an appointment in the licensed insurer as may be prescribed), satisfy the MAS that the person is a fit and proper person to be so appointed and obtain the MAS' approval for the appointment. Without the prior written consent of the MAS, a licensed insurer which is established or incorporated in Singapore must not permit a person to act as its executive officer or director if the person, among other things, has been convicted, whether in Singapore or elsewhere, of an offense involving fraud or dishonesty, is an undischarged bankrupt, or had a prohibition order under the Insurance Act of Singapore, FAA or SFA made against him that remains in force, whether in Singapore or elsewhere.

MAS Notice 106 on Appointment of Director, Chairman and Key Executive Person sets out mandatory requirements and guidelines relating to the appointment of a director, chairman and key executive person of a licensed insurer. In addition, MAS Notice 106 prescribes the application form for the appointment of directors, chairman and key executive persons, and the form for licensed insurers to notify the MAS of changes in the roles and responsibilities or reporting structure of directors and key executive persons.

If at any time it appears to the MAS that (a) a key executive person, the chairman or a director of a licensed insurer which is established or incorporated in Singapore has failed to perform his functions or is no longer a fit and proper person to be so appointed and (b) it is necessary in the public interest or for the protection of policy owners of a licensed insurer, the MAS may direct the licensed insurer to remove the key executive person, chairman or director, as the case may be, from his office, appointment or employment.

### ***Financial Reporting Requirements***

The MAS Notice 129 on Insurance Returns (Accounts and Statements) ("**MAS Notice 129**") sets forth various reporting requirements and prescribes the form in which the relevant statements of account and other statements of a licensed insurer are to be made.

A licensed insurer is required to file with MAS, all applicable forms (including all applicable annexes to such forms) and documents as specified in the relevant appendix of MAS Notice 129, in the form and manner specified in such appendix.

In addition, MAS Notice 306 and MAS Notice 318 require direct life insurers to submit information on their businesses to the MAS annually or (in the case of MAS Notice 306) a nil return. Further, MAS Notice 318 requires direct life insurers to submit information on its source of business to the MAS annually.

### ***Appointment of auditors***

A licensed insurer (other than a captive insurer and a marine mutual insurer) is required to appoint an auditor annually for the purposes of preparing and lodging with the MAS the requisite statements of accounts and other statements relating to its business. No person shall act as auditor for a licensed insurer unless, among other things, the insurer has obtained the approval of the MAS to appoint that person as an auditor.

## ***Actuaries***

A licensed insurer carrying on life and general business is also required, for each accounting period, to have an investigation made by an actuary approved by the MAS into the financial condition of each class of business that it carries on. Actuaries must be approved by the MAS. A direct insurer licensed to carry on life and general business shall have appointed an actuary and a certifying actuary, in each case, who is responsible for, among other things, reporting to the chief executive of the insurer on various matters including matters which in the actuary's opinion have a material adverse effect on the financial condition of the insurer in respect of its life or general business, or both, as the case may be. If the appointed actuary or certifying actuary, as the case may be, is of the opinion that the insurer has failed to take appropriate steps to rectify any matter reported by the actuary within a reasonable time, the actuary is required to immediately send a copy of his report to the MAS and notify the board of directors of the insurer that he has done so.

## ***Public Disclosure***

Licensed insurers are subject to MAS Notice 124 on Public Disclosure Requirements ("**MAS Notice 124**") which sets out requirements for an insurer to disclose relevant, comprehensive and adequate information on a timely basis in order to give a clear view of its business activities, performance and financial position. MAS Notice 124 require an insurer to disclose quantitative and qualitative information on its profile, governance and controls, financial position, technical performance and the risks to which it is subject.

## ***Digital Advisory Services***

On October 8, 2018, the MAS issued the Guidelines on Provision of Digital Advisory Services, which applies to all financial institutions (including licensed insurers) offering or seeking to offer digital advisory services in Singapore. Digital advisers seeking to offer their platforms to investors in Singapore will have to be licensed for fund management or dealing in securities under the SFA and/or providing financial advice on investment products under the FAA. The type of licensing depends on the operating model of the digital adviser. The Guidelines set out the MAS' expectations on the Board and Senior Management to address the risks posed covering governance and supervision of algorithms, and clarifies the applicability of existing requirements to digital advisers, such as those relating to technology risk management, prevention of money laundering and countering the financing of terrorism, suitability of advice, disclosure of information, applicability of the balanced scorecard framework, as well as advertisements and marketing.

## ***Resolution Powers***

Under the MAS Act and the Insurance Act of Singapore, the MAS has resolution powers in respect of Singapore licensed insurers. Broadly speaking, the MAS has powers to (amongst other things) assume control of an insurer, impose moratoriums, temporarily stay termination rights of counterparties, order compulsory transfers of business or shares and impose requirements relating to recovery and resolution planning.

## UNITED STATES BENEFIT PLAN INVESTOR CONSIDERATIONS

Section 406 of the U.S. Employee Retirement Income Security Act of 1974, as amended (“**ERISA**”) and Section 4975 of the Code prohibit certain transactions involving the assets of employee benefit plans and other plans subject to such provisions, including collective investment funds and separate accounts whose underlying assets include the assets of such plans (collectively, the “**Plans**”) and persons (referred to as “**parties in interest**” or “**disqualified persons**”) having certain relationships to such Plans, unless a statutory or administrative exemption applies to the transaction. A party in interest or disqualified person who engages in a non-exempt prohibited transaction may be subject to excise taxes or other penalties and liabilities under ERISA or Section 4975 of the Code. Accordingly, each original or subsequent purchaser or transferee of a Note that is or may become a Plan is responsible for determining that its purchase and holding of such Note will not constitute a prohibited transaction under Section 406 of ERISA or Section 4975 of the Code.

The U.S. Department of Labor (the “**DOL**”) has promulgated a regulation describing what constitutes the assets of a Plan for the purposes of ERISA and Section 4975 of the Code (as modified by Section 3(42) of ERISA, the “**Plan Asset Regulation**”). Under the Plan Asset Regulation, if a Plan invests in an “equity interest” of an entity, then the Plan’s assets include both the equity interest and an undivided interest in each of the entity’s underlying assets, unless an exception applies. If the underlying assets of the entity are deemed to be “plan assets,” the fiduciary responsibility and prohibited transaction provisions of ERISA or Section 4975 of the Code may apply to the underlying assets and activities of the entity, and there may be an increase in the exposure to liability under ERISA and Section 4975 of the Code of various providers of fiduciary or other services to the entity, and the activities of the entity may be restricted or limited.

For the purposes of the Plan Asset Regulation, an equity interest includes any interest in an entity other than an instrument that is treated as indebtedness under applicable local law and which has no substantial equity features.

Unless otherwise provided in the relevant Pricing Supplement, the Issuer will proceed based on the position that the Notes should not be considered at the time of issuance to be “equity interests” of the Issuer for the purposes of the Plan Asset Regulation (see “Taxation – Certain United States Federal Income Tax Considerations – U.S. Federal Income Tax Characterization of the Notes”) and subject to the requirements discussed herein, the Notes may generally be purchased and held by Plans. Each purchaser or transferee of a Note or any interest therein will be deemed to have represented and agreed that (a) it is not an employee benefit plan or other plan subject to Title I of ERISA and Section 4975 of the Code, any entity whose underlying assets are deemed for the purposes of ERISA or Section 4975 of the Code to include “plan assets” by reason of any such plan’s investment in the entity, or a governmental, church, non-U.S. or other employee benefit plan which is subject to any U.S. federal, state or local law, or non-U.S. law, that is substantially similar to Section 406 of ERISA or Section 4975 of the Code, or (b) its purchase, holding and disposition of a Note (or any interest therein) will not constitute or result in a non-exempt prohibited transaction under Section 406 of ERISA or Section 4975 of the Code (or, in the case of a governmental, church, non-U.S. or other employee benefit plan, a non-exempt violation of any substantially similar law). Any purported transfer of a Note, or any interest therein to a purchaser or transferee that does not comply with the above requirements will be of no force and effect and shall be null and void ab initio.

**THE PRECEDING DISCUSSION IS ONLY A SUMMARY OF CERTAIN ERISA AND OTHER U.S. IMPLICATIONS OF AN INVESTMENT IN THE SECURITIES AND DOES NOT PURPORT TO BE COMPLETE. PROSPECTIVE INVESTORS SHOULD CONSULT WITH THEIR OWN LEGAL, TAX, FINANCIAL AND OTHER ADVISORS PRIOR TO INVESTING TO REVIEW THESE IMPLICATIONS IN LIGHT OF SUCH INVESTOR’S PARTICULAR CIRCUMSTANCES.**

## TAXATION

The following summary of certain United States, Singapore and Australia income tax consequences of the purchase, ownership and disposition of the Notes is based upon laws, regulations, rulings and decisions now in effect, all of which are subject to change (possibly with retroactive effect). The summary does not purport to be a comprehensive description of all the tax considerations that may be relevant to a decision to purchase, own or dispose of the Notes and does not purport to deal with the consequences applicable to all categories of investors, some of which may be subject to special rules. Persons considering the purchase of the Notes should consult their own tax advisors concerning the application of United States, Singapore and Australia income tax laws on the taxation of savings income to their particular situations as well as any consequences of the purchase, ownership and disposition of the Notes arising under the laws of any other taxing jurisdiction.

### **Certain United States Federal Income Tax Considerations**

The following is a summary of certain U.S. federal income tax consequences of the acquisition, ownership and disposition of Notes by a U.S. Holder. This summary does not address the material U.S. federal income tax consequences of every type of Note which may be issued under the Program, and the relevant Pricing Supplement may contain additional or modified disclosure concerning certain U.S. federal income tax consequences relevant to such type of Note as appropriate. This summary deals only with initial purchasers of Notes that are U.S. Holders and that will hold the Notes as capital assets. The discussion does not cover all aspects of U.S. federal income taxation that may be relevant to, or the actual tax effect that any of the matters described herein will have on, the acquisition, ownership or disposition of Notes by particular investors (including consequences under the alternative minimum tax or Medicare tax on net investment income), and does not address state, local, non-U.S. or other tax laws (such as estate or gift tax laws). In particular, this summary does not address tax considerations applicable to holders of the Notes that own (directly, indirectly or by attribution) 5% or more of the interests (by vote or value) of OCBC Bank, nor does this summary discuss all of the tax considerations that may be relevant to certain types of investors subject to special treatment under the U.S. federal income tax laws (such as financial institutions, insurance companies, individual retirement accounts and other tax-deferred accounts, tax-exempt organizations, dealers in securities or currencies, investors that will hold the Notes as part of straddles, hedging transactions or conversion transactions for U.S. federal income tax purposes, persons subject to special rules for the taxable year of inclusion for accrual-basis taxpayers under Section 451(b) of the Internal Revenue Code of 1986, as amended (the “**Code**”), persons that have ceased to be U.S. citizens or lawful permanent residents of the United States, investors holding the Notes in connection with a trade or business conducted outside of the United States, U.S. citizens or lawful permanent residents living abroad or investors whose functional currency is not the U.S. dollar). Moreover, the summary deals only with certain types of Notes issued by OCBC Bank in Singapore and does not address U.S. federal income tax considerations specific to Index-Linked, Equity-Linked, Credit-Linked or Bond-Linked Notes. The U.S. federal income tax consequences of owning Index-Linked, Equity-Linked, Credit-Linked or Bond-Linked Notes or Notes issued by any branch of OCBC Bank outside of Singapore or any Specified Issuer will be discussed in the applicable Pricing Supplement.

As used herein, the term “**U.S. Holder**” means a beneficial owner of Notes that is, for U.S. federal income tax purposes, (i) an individual citizen or resident of the United States, (ii) a corporation created or organized under the laws of the United States, any state thereof or the District of Columbia, (iii) an estate the income of which is subject to U.S. federal income tax without regard to its source or (iv) a trust if a court within the United States is able to exercise primary supervision over the administration of the trust and one or more U.S. persons have the authority to control all substantial decisions of the trust, or the trust has validly elected to be treated as a domestic trust for U.S. federal income tax purposes.

The U.S. federal income tax treatment of a partner in an entity or arrangement treated as a partnership for U.S. federal income tax purposes that holds Notes will depend on the status of the partner and the activities of the partnership. Prospective purchasers that are entities or arrangements treated as partnerships for U.S. federal income tax purposes should consult their tax advisor concerning the U.S. federal income tax consequences to them and their partners of the acquisition, ownership and disposition of Notes by the partnership.

This summary is based on the tax laws of the United States including the Code, its legislative history, existing and proposed regulations thereunder, published rulings and court decisions, all as of the date hereof and all subject to change at any time, possibly with retroactive effect.

Notes in bearer form are not being offered to U.S. Holders. A U.S. Holder who owns a Bearer Note may be subject to limitations under United States income tax laws, including the limitations provided in Sections 165(j) and 1287(a) of the Code.

**THE SUMMARY OF U.S. FEDERAL INCOME TAX CONSEQUENCES SET OUT BELOW IS FOR GENERAL INFORMATION ONLY. ALL PROSPECTIVE PURCHASERS SHOULD CONSULT THEIR TAX ADVISORS AS TO THE PARTICULAR TAX CONSEQUENCES TO THEM OF ACQUIRING, OWNING AND DISPOSING OF THE NOTES, INCLUDING THE APPLICABILITY AND EFFECT OF STATE, LOCAL, FOREIGN AND OTHER TAX LAWS AND POSSIBLE CHANGES IN TAX LAW.**

#### ***U.S. Federal Income Tax Characterization of the Notes***

The characterization of a Series or Tranche of Notes may be uncertain and will depend on the terms of those Notes. The determination of whether an obligation represents debt, equity, or some other instrument or interest is based on all the relevant facts and circumstances. There may be no statutory, judicial or administrative authority directly addressing the characterization of some of the types of Notes that are anticipated to be issued under the Program or of instruments similar to the Notes. As a consequence, it may be unclear how a Series or Tranche of Notes should be properly characterized for U.S. federal income tax purposes.

Depending on the terms of a particular Series or Tranche of Notes, such Notes may not be characterized as debt for U.S. federal income tax purposes despite the form of the Notes as debt instruments. For example, Notes of a Series or Tranche may be more properly characterized as equity, or as representing an undivided proportionate ownership interest in the assets of, and share of the liabilities of OCBC Bank. In particular, certain Series or Tranches of Notes (including, but not limited to, certain Subordinated Notes), because of their level of subordination, term until maturity, lack of a final maturity date, rights in the event of a default by OCBC Bank, the inclusion of any non-viability loss absorption provisions, and potentially their treatment for regulatory and other non-tax purposes, may be treated as equity in OCBC Bank for U.S. federal income tax purposes. Additional alternative characterizations may also be possible. Further possible characterizations, if applicable, may be discussed in the relevant Pricing Supplement.

For U.S. federal income tax purposes, one of the primary characteristics used to distinguish the treatment of an instrument as debt from an instrument treated as equity is whether the instrument, according to its terms, involves an unconditional promise to pay a fixed sum certain on a particular date in the future. OCBC Bank believes that the Perpetual Capital Securities, due to their perpetual term, should be treated as equity for U.S. federal income tax purposes, and the following discussion assumes such treatment. However, no assurance can be given that the U.S. Internal Revenue Service (the “**IRS**”) will not assert that the Perpetual Capital Securities should be treated as indebtedness of OCBC Bank or in some other manner for U.S. federal income tax purposes. If the Perpetual Capital Securities were treated as indebtedness of OCBC Bank for U.S. federal income tax purposes, the timing, amount and character of income, gain or loss recognized by a U.S. Holder could be different. Each U.S. Holder that owns Perpetual Capital Securities should consult its own tax advisors with respect to the U.S. federal income tax characterization of the Perpetual Capital Securities.



No rulings will be sought from the IRS regarding the characterization of any of the Notes issued hereunder for U.S. federal income tax purposes. Each U.S. Holder should consult its own tax advisor about the proper characterization of the Notes for U.S. federal income tax purposes and consequences to the holder of acquiring, owning or disposing of the Notes.

The following summary assumes that (i) the Notes other than Perpetual Capital Securities are properly treated as debt and (ii) that Perpetual Capital Securities are properly treated as equity, in each case, for U.S. federal income tax purposes.

### ***Notes Treated as Debt***

For the avoidance of doubt, references to “Notes” in this section “– Notes Treated as Debt” do not include Perpetual Capital Securities (see “– Perpetual Capital Securities” below in this respect). The following summary applies to Notes that are properly treated as debt for U.S. federal income tax purposes. The applicable Pricing Supplement or any supplement to this Offering Memorandum will, if relevant, specify if the discussion below will apply to a particular Series or Tranche of Notes. The U.S. federal income tax consequences of owning Notes that are not treated as debt for U.S. federal income tax purposes will be discussed, as appropriate, in the applicable Pricing Supplement or any supplement to this Offering Memorandum.

### ***Payments of Interest***

#### ***General***

Interest on a Note, whether payable in U.S. dollars or a currency, composite currency or basket of currencies other than U.S. dollars (a “**foreign currency**”), other than interest on a “Discount Note” that is not “qualified stated interest” (each as defined below under “– Original Issue Discount – General”), will be taxable to a U.S. Holder as ordinary income at the time it is received or accrued, depending on such U.S. Holder’s method of accounting for U.S. federal income tax purposes, reduced by the allocable amount of any amortizable bond premium, subject to the discussion below. Interest paid by OCBC Bank on the Notes and original issue discount (“**OID**”), if any, accrued with respect to the Notes (as described below under “– Original Issue Discount”) generally will constitute income from sources outside the United States.

#### ***Effect of Singapore Withholding Taxes***

As discussed in “Singapore Taxation” below, under current law payments of interest in respect of the Notes may be subject to Singaporean withholding taxes. As discussed under “Terms and Conditions of the Notes other than the Perpetual Capital Securities – Taxation” and “Terms and Conditions of the Perpetual Capital Securities – Taxation”, OCBC Bank may become liable for the payment of additional amounts to U.S. Holders so that U.S. Holders receive the same amounts they would have received had no Singaporean withholding taxes been imposed. For U.S. federal income tax purposes, U.S. Holders would be treated as having actually received the amount of Singaporean taxes withheld by OCBC Bank with respect to a Note, and as then having actually paid over the withheld taxes to the Singaporean taxing authorities. As a result, the amount of interest income included in gross income for U.S. federal income tax purposes by a U.S. Holder with respect to a payment of interest may be greater than the amount of cash actually received (or receivable) by the U.S. Holder from OCBC Bank with respect to the payment.

Subject to certain limitations, a U.S. Holder will generally be entitled to a credit against its U.S. federal income tax liability, or a deduction in computing its U.S. federal taxable income, for Singaporean income taxes withheld by OCBC Bank. Interest generally will constitute “passive category income” for purposes of the foreign tax credit. The rules governing foreign tax credits are complex. Prospective purchasers should consult their tax advisors concerning the foreign tax credit implications of Singaporean withholding taxes.

## **Original Issue Discount**

### **General**

The following is a summary of the principal U.S. federal income tax consequences of the ownership of Notes issued with OID. The following summary does not discuss Notes that are characterized as contingent payment debt instruments for U.S. federal income tax purposes. In the event OCBC Bank issues contingent payment debt instruments the applicable Pricing Supplement or a supplement to this Offering Memorandum may describe the material U.S. federal income tax consequences thereof.

A Note, other than a Note with a term of one year or less (a “**Short-Term Note**”), will be treated as issued with OID (a “**Discount Note**”) if the excess of the Note’s “stated redemption price at maturity” over its issue price is equal to or more than a de minimis amount (0.25% of the Note’s stated redemption price at maturity multiplied by the number of complete years to its maturity). An obligation that provides for the payment of amounts other than qualified stated interest before maturity (an “**installment obligation**”) will be treated as a Discount Note if the excess of the Note’s stated redemption price at maturity over its issue price is equal to or greater than 0.25% of the Note’s stated redemption price at maturity multiplied by the weighted average maturity of the Note. A Note’s weighted average maturity is the sum of the following amounts determined for each payment on a Note (other than a payment of qualified stated interest): (i) the number of complete years from the issue date until the payment is made multiplied by (ii) a fraction, the numerator of which is the amount of the payment and the denominator of which is the Note’s stated redemption price at maturity. Generally, the issue price of a Note will be the first price at which a substantial amount of Notes included in the issue of which the Note is a part is sold to persons other than bond houses, brokers, or similar persons or organizations acting in the capacity of underwriters, placement agents, or wholesalers. The stated redemption price at maturity of a Note is the total of all payments provided by the Note that are not payments of “qualified stated interest.” A qualified stated interest payment is generally any one of a series of stated interest payments on a Note that are unconditionally payable at least annually at a single fixed rate (with certain exceptions for lower rates paid during some periods), or a variable rate (in the circumstances described below under “Variable Interest Rate Notes”), applied to the outstanding principal amount of the Note. Solely for the purposes of determining whether a Note has OID, OCBC Bank will be deemed to exercise any call option that has the effect of decreasing the yield on the Note, and the U.S. Holder will be deemed to exercise any put option that has the effect of increasing the yield on the Note. U.S. Holders of Discount Notes must include OID in income calculated on a constant-yield method before the receipt of cash attributable to the income, and generally will have to include in income increasingly greater amounts of OID over the life of the Discount Notes. The amount of OID includible in income by a U.S. Holder of a Discount Note is the sum of the daily portions of OID with respect to the Discount Note for each day during the taxable year or portion of the taxable year on which the U.S. Holder holds the Discount Note. The daily portion is determined by allocating to each day in any “accrual period” a pro rata portion of the OID allocable to that accrual period. Accrual periods with respect to a Note may be of any length selected by the U.S. Holder and may vary in length over the term of the Note as long as (i) no accrual period is longer than one year and (ii) each scheduled payment of interest or principal on the Note occurs on either the final or first day of an accrual period. The amount of OID allocable to an accrual period equals the excess of (a) the product of the Discount Note’s adjusted issue price at the beginning of the accrual period and the Discount Note’s yield to maturity (determined on the basis of compounding at the close of each accrual period and properly adjusted for the length of the accrual period) over (b) the sum of the payments of qualified stated interest on the Note allocable to the accrual period. The “adjusted issue price” of a Discount Note at the beginning of any accrual period is the issue price of the Note increased by (x) the amount of accrued OID for each prior accrual period and decreased by (y) the amount of any payments previously made on the Note that were not qualified stated interest payments.

### ***Original Issue Discount on Certain Notes with an Issuer Call Option***

The rules governing the calculation of OID in the case of Notes where (i) interest is payable at more than one rate of interest during the life of Notes; and (ii) the Issuer has an option to call the Notes, are not entirely clear. The Issuer believes that the following paragraph is a reasonable interpretation of the application of the OID rules to such a Series or Tranche of Notes. However, there is no assurance that the IRS will agree with this treatment. Each U.S. Holder should consult its own tax advisor about the proper application of the OID rules to any such Series or Tranche of Notes.

In the case of Notes that provide for a fixed rate of interest up to the first call date, for the purpose of application of the OID rules, these Notes must be converted into an “equivalent” fixed rate debt instrument (as described under “– Original Issue Discount – Variable Interest Rate Notes”). If, using the rates applicable on the issue date, the initial interest rate on the “equivalent” fixed rate debt instrument is less than the interest rate from the first call date through to the maturity date of the Notes, the Issuer will be presumed to call the Notes at the first call date and the general rules pertaining to OID would apply. If, using the rates applicable on the issue date, the initial interest rate on the “equivalent” fixed rate debt instrument is greater than the interest rate from the first call date through to the maturity date of the Notes, the Issuer will be presumed to extend the Notes at the first call date and the Notes should be treated as “variable rate debt instruments” that do not provide for stated interest at either a single qualified floating rate or a single objective rate (as described under “– Original Issue Discount – Variable Interest Rate Notes”).

### ***Acquisition Premium***

A U.S. Holder that purchases a Discount Note for an amount less than or equal to the sum of all amounts payable on the Note after the purchase date, other than payments of qualified stated interest, but in excess of its adjusted issue price (any such excess being “**acquisition premium**”) and that does not make the election described below under “– Election to Treat All Interest as Original Issue Discount”, is permitted to reduce the daily portions of OID by a fraction, the numerator of which is the excess of the U.S. Holder’s adjusted basis in the Note immediately after its purchase over the Note’s adjusted issue price, and the denominator of which is the excess of the sum of all amounts payable on the Note after the purchase date, other than payments of qualified stated interest, over the Note’s adjusted issue price.

### ***Short-Term Notes***

In general, an individual or other cash basis U.S. Holder of a Short-Term Note is not required to accrue OID (as specially defined below for the purposes of this paragraph) for U.S. federal income tax purposes unless it elects to do so (but may be required to include any stated interest in income as the interest is received). Accrual basis U.S. Holders and certain other U.S. Holders are required to accrue OID on Short-Term Notes on a straight-line basis or, if the U.S. Holder so elects, under the constant-yield method (based on daily compounding). In the case of a U.S. Holder not required and not electing to include OID in income currently, any gain realized on the sale or retirement of the Short-Term Note will be ordinary income to the extent of the OID accrued on a straight-line basis (unless an election is made to accrue the OID under the constant-yield method) through the date of sale or retirement. U.S. Holders who are not required and do not elect to accrue OID on Short-Term Notes will be required to defer deductions for interest on borrowings allocable to Short-Term Notes in an amount not exceeding the deferred income until the deferred income is realized.

For purposes of determining the amount of OID subject to these rules, all interest payments on a Short-Term Note are included in the Short-Term Note’s stated redemption price at maturity. A U.S. Holder may elect to determine OID on a Short-Term Note as if the Short-Term Note had been originally issued to the U.S. Holder at the U.S. Holder’s purchase price for the Short-Term Note. This election will apply to all obligations with a maturity of one year or less acquired by the U.S. Holder on or after the first day of the first taxable year to which the election applies, and may not be revoked without the consent of the IRS.

### ***Fungible Issue***

OCBC Bank may, without the consent of the Noteholders or the Securityholders, as the case may be, of outstanding Notes, issue additional Notes with identical terms. These additional Notes, even if they are treated for non-tax purposes as part of the same series as the original Notes, in some cases may be treated as a separate series for U.S. federal income tax purposes. In such a case, among other things, the additional Notes may be considered to have been issued with OID even if the original Notes had no OID, or the additional Notes may have a greater amount of OID than the original Notes. These differences may affect the market value of the original Notes if the additional Notes are not otherwise distinguishable from the original Notes.

### ***Market Discount***

A Note, other than a Short-Term Note, generally will be treated as purchased at a market discount (a “**Market Discount Note**”) if the Note’s stated redemption price at maturity or, in the case of a Discount Note, the Note’s “revised issue price”, exceeds the amount for which the U.S. Holder purchased the Note by at least 0.25% of the Note’s stated redemption price at maturity or revised issue price, respectively, multiplied by the number of complete years to the Note’s maturity (or, in the case of a Note that is an installment obligation, the Note’s weighted average maturity). If this excess is not sufficient to cause the Note to be a Market Discount Note, then the excess constitutes “de minimis market discount”. For this purpose, the “revised issue price” of a Note generally equals its issue price, increased by the amount of any OID that has accrued on the Note and decreased by the amount of any payments previously made on the Note that were not qualified stated interest payments.

Any gain recognized on the sale and retirement of a Market Discount Note (including any payment on a Note that is not qualified stated interest) generally will be treated as ordinary income to the extent that the gain does not exceed the accrued market discount on the Note. Alternatively, a U.S. Holder of a Market Discount Note may avoid such treatment by electing to include market discount in income currently over the life of the Note. This election applies to all debt instruments with market discount acquired by the electing U.S. Holder on or after the first day of the first taxable year for which the election is made. This election may not be revoked without the consent of the IRS.

A U.S. Holder of a Market Discount Note that does not elect to include market discount in income currently may be required to defer deductions for interest on borrowings incurred to purchase or carry a Market Discount Note. Such interest is deductible when paid or incurred to the extent of income from the Note for the year. If the interest expense exceeds such income, such excess is currently deductible only to the extent that such excess exceeds the portion of the market discount allocable to the days during the taxable year on which such Note was held by the U.S. Holder.

Market discount will accrue on a straight-line basis unless the U.S. Holder elects to accrue the market discount on a constant-yield method. This election applies only to the Market Discount Note with respect to which it is made and is irrevocable.

### ***Variable Interest Rate Notes***

Notes that provide for interest at variable rates (“**Variable Interest Rate Notes**”) generally will bear interest at a “qualified floating rate” and thus will be treated as “variable rate debt instruments” under Treasury regulations governing accrual of OID. A Variable Interest Rate Note will qualify as a “variable rate debt instrument” if (a) its issue price does not exceed the total non-contingent principal payments due under the Variable Interest Rate Note by more than a specified de minimis amount, (b) it provides for stated interest, paid or compounded at least annually, at (i) one or more qualified floating rates, (ii) a single fixed rate and one or more qualified floating rates, (iii) a single objective rate, or (iv) a single fixed rate and a single objective rate that is a qualified inverse floating rate, and (c) it does not provide for any principal payments that are contingent (other than as described in (a) above).

A “**qualified floating rate**” is any variable rate where variations in the value of the rate can reasonably be expected to measure contemporaneous variations in the cost of newly borrowed funds in the currency in which the Variable Interest Rate Note is denominated. A fixed multiple of a qualified floating rate will constitute a qualified floating rate only if the multiple is greater than 0.65 but not more than 1.35. A variable rate equal to the product of a qualified floating rate and a fixed multiple that is greater than 0.65 but not more than 1.35, increased or decreased by a fixed rate, will also constitute a qualified floating rate. In addition, two or more qualified floating rates that can reasonably be expected to have approximately the same values throughout the term of the Variable Interest Rate Note (e.g., two or more qualified floating rates with values within 25 basis points of each other as determined on the Variable Interest Rate Note’s issue date) will be treated as a single qualified floating rate. Notwithstanding the foregoing, a variable rate that would otherwise constitute a qualified floating rate but which is subject to one or more restrictions such as a maximum numerical limitation (i.e., a cap) or a minimum numerical limitation (i.e., a floor) may, under certain circumstances, fail to be treated as a qualified floating rate.

An “**objective rate**” is a rate that is not itself a qualified floating rate but which is determined using a single fixed formula and which is based on objective financial or economic information (e.g., one or more qualified floating rates or the yield of actively traded personal property). A rate will not qualify as an objective rate if it is based on information that is within the control of OCBC Bank (or a related party) or that is unique to the circumstances of OCBC Bank (or a related party), such as dividends, profits or the value of OCBC Bank’s stock (although a rate does not fail to be an objective rate merely because it is based on the credit quality of OCBC Bank). Other variable interest rates may be treated as objective rates if so designated by the IRS in the future. Despite the foregoing, a variable rate of interest on a Variable Interest Rate Note will not constitute an objective rate if it is reasonably expected that the average value of the rate during the first half of the Variable Interest Rate Note’s term will be either significantly less than or significantly greater than the average value of the rate during the final half of the Variable Interest Rate Note’s term. A “qualified inverse floating rate” is any objective rate where the rate is equal to a fixed rate minus a qualified floating rate, as long as variations in the rate can reasonably be expected to inversely reflect contemporaneous variations in the qualified floating rate. If a Variable Interest Rate Note provides for stated interest at a fixed rate for an initial period of one year or less followed by a variable rate that is either a qualified floating rate or an objective rate for a subsequent period and if the variable rate on the Variable Interest Rate Note’s issue date is intended to approximate the fixed rate (e.g., the value of the variable rate on the issue date does not differ from the value of the fixed rate by more than 25 basis points), then the fixed rate and the variable rate together will constitute either a single qualified floating rate or objective rate, as the case may be.

A qualified floating rate or objective rate in effect at any time during the term of the instrument must be set at a “current value” of that rate. A “current value” of a rate is the value of the rate on any day that is no earlier than 3 months prior to the first day on which that value is in effect and no later than 1 year following that first day.

If a Variable Interest Rate Note that provides for stated interest at either a single qualified floating rate or a single objective rate throughout the term thereof qualifies as a “variable rate debt instrument”, then any stated interest on the Note which is unconditionally payable in cash or property (other than debt instruments of OCBC Bank) at least annually will constitute qualified stated interest and will be taxed accordingly. Thus, a Variable Interest Rate Note that provides for stated interest at either a single qualified floating rate or a single objective rate throughout the term thereof and that qualifies as a “variable rate debt instrument” will generally not be treated as having been issued with OID unless the Variable Interest Rate Note is issued at a “true” discount (i.e., at a price below the Note’s stated principal amount) in excess of a specified de minimis amount. OID on a Variable Interest Rate Note arising from “true” discount is allocated to an accrual period using the constant yield method described above by assuming that the variable rate is a fixed rate equal to (i) in the case of a qualified floating rate or qualified inverse floating rate, the value, as of the issue date, of the qualified floating rate or qualified inverse floating rate, or (ii) in the case of an objective rate (other than a qualified inverse floating rate), a fixed rate that reflects the yield that is reasonably expected for the Variable Interest Rate Note.

In general, any other Variable Interest Rate Note that qualifies as a “variable rate debt instrument” will be converted into an “equivalent” fixed rate debt instrument for the purposes of determining the amount and accrual of OID and qualified stated interest on the Variable Interest Rate Note. Such a Variable Interest Rate Note must be converted into an “equivalent” fixed rate debt instrument by substituting any qualified floating rate or qualified inverse floating rate provided for under the terms of the Variable Interest Rate Note with a fixed rate equal to the value of the qualified floating rate or qualified inverse floating rate, as the case may be, as of the Variable Interest Rate Note’s issue date. Any objective rate (other than a qualified inverse floating rate) provided for under the terms of the Variable Interest Rate Note is converted into a fixed rate that reflects the yield that is reasonably expected for the Variable Interest Rate Note. In the case of a Variable Interest Rate Note that qualifies as a “variable rate debt instrument” and provides for stated interest at a fixed rate in addition to either one or more qualified floating rates or a qualified inverse floating rate, the fixed rate is initially converted into a qualified floating rate (or a qualified inverse floating rate, if the Variable Interest Rate Note provides for a qualified inverse floating rate). Under these circumstances, the qualified floating rate or qualified inverse floating rate that replaces the fixed rate must be such that the fair market value of the Variable Interest Rate Note as of the Variable Interest Rate Note’s issue date is approximately the same as the fair market value of an otherwise identical debt instrument that provides for either the qualified floating rate or qualified inverse floating rate rather than the fixed rate. Subsequent to converting the fixed rate into either a qualified floating rate or a qualified inverse floating rate, the Variable Interest Rate Note is converted into an “equivalent” fixed rate debt instrument in the manner described above.

Once the Variable Interest Rate Note is converted into an “equivalent” fixed rate debt instrument pursuant to the foregoing rules, the amount of OID and qualified stated interest, if any, are determined for the “equivalent” fixed rate debt instrument by applying the general OID rules to the “equivalent” fixed rate debt instrument and a U.S. Holder of the Variable Interest Rate Note will account for the OID and qualified stated interest as if the U.S. Holder held the “equivalent” fixed rate debt instrument. In each accrual period, appropriate adjustments will be made to the amount of qualified stated interest or OID assumed to have been accrued or paid with respect to the “equivalent” fixed rate debt instrument in the event that these amounts differ from the actual amount of interest accrued or paid on the Variable Interest Rate Note during the accrual period.

If a Variable Interest Rate Note, such as a Note the payments on which are determined by reference to an index, does not qualify as a “variable rate debt instrument”, then the Variable Interest Rate Note will be treated as a contingent payment debt obligation. The proper U.S. federal income tax treatment of Variable Interest Rate Notes that are treated as contingent payment debt obligations will be more fully described in the applicable Pricing Supplement or supplement to this Offering Memorandum.

### ***Notes Purchased at a Premium***

A U.S. Holder that purchases a Note for an amount in excess of its principal amount, or for a Discount Note, its stated redemption price at maturity, may elect to treat the excess as “amortizable bond premium”, in which case the amount required to be included in the U.S. Holder’s income each year with respect to interest on the Note will be reduced by the amount of amortizable bond premium allocable (based on the Note’s yield to maturity) to that year.

Any election to amortize bond premium will apply to all bonds (other than bonds the interest on which is excludable from gross income for U.S. federal income tax purposes) held by the U.S. Holder at the beginning of the first taxable year to which the election applies or thereafter acquired by the U.S. Holder, and is irrevocable without the consent of the IRS. See also “Original Issue Discount – Election to Treat All Interest as Original Issue Discount”.

### ***Election to Treat All Interest as Original Issue Discount***

A U.S. Holder may elect to include in gross income all interest that accrues on a Note using the constant-yield method described above under “Original Issue Discount – General,” with certain modifications. For the purposes of this election, interest includes stated interest, OID, de minimis OID, market discount, de minimis market discount and unstated interest, as adjusted by any amortizable bond premium (described above under “Notes Purchased at a Premium”) or acquisition premium. This election will generally apply only to the Note with respect to which it is made and may not be revoked without the consent of the IRS. If the election to apply the constant-yield method to all interest on a Note is made with respect to a Market Discount Note, the electing U.S. Holder will be treated as having made the election discussed above under “Original Issue Discount – Market Discount” to include market discount in income currently over the life of all debt instruments having market discount that are acquired on or after the first day of the first taxable year to which the election applies. U.S. Holders should consult their tax advisors concerning the propriety and consequences of this election.

### ***Purchase, Sale and Retirement of Notes***

A U.S. Holder will generally recognize gain or loss on the sale or retirement of a Note equal to the difference between the amount realized on the sale or retirement and the U.S. Holder’s adjusted tax basis of the Note. A U.S. Holder’s adjusted tax basis in a Note will generally be its cost, increased by the amount of any OID or market discount included in the U.S. Holder’s income with respect to the Note and the amount, if any, of income attributable to de minimis OID and de minimis market discount included in the U.S. Holder’s income with respect to the Note, and reduced by (i) the amount of any payments that are not qualified stated interest payments, and (ii) the amount of any amortizable bond premium applied to reduce interest on the Note. The amount realized does not include the amount attributable to accrued but unpaid interest, which will be taxable as interest income to the extent not previously included in income. Except to the extent described above under “– Original Issue Discount – Market Discount” or “– Original Issue Discount – Short Term Notes” or attributable to changes in exchange rates (as discussed below), gain or loss recognized on the sale or retirement of a Note will be capital gain or loss and will be long-term capital gain or loss if the U.S. Holder’s holding period in the Notes exceeds one year. Gain or loss realized by a U.S. Holder on the sale or retirement of a Note generally will be U.S. source.

### ***Foreign Currency Notes***

#### ***Interest***

If an interest payment is denominated in, or determined by reference to, a foreign currency, the amount of income recognized by a cash basis U.S. Holder will be the U.S. dollar value of the interest payment, based on the exchange rate in effect on the date of receipt, regardless of whether the payment is in fact converted into U.S. dollars.

An accrual basis U.S. Holder may determine the amount of income recognized with respect to an interest payment denominated in, or determined by reference to, a foreign currency in accordance with either of two methods. Under the first method, the amount of income accrued will be based on the average exchange rate in effect during the interest accrual period (or, in the case of an accrual period that spans two taxable years of a U.S. Holder, the part of the period within the taxable year).

Under the second method, the U.S. Holder may elect to determine the amount of income accrued on the basis of the exchange rate in effect on the last day of the accrual period (or, in the case of an accrual period that spans two taxable years, the exchange rate in effect on the last day of the part of the period within the taxable year).

Additionally, if a payment of interest is actually received within five business days of the last day of the accrual period, an electing accrual basis U.S. Holder may instead translate the accrued interest into U.S. dollars at the exchange rate in effect on the day of actual receipt. Any such election will apply to all debt instruments held by the U.S. Holder at the beginning of the first taxable year to which the election applies or thereafter acquired by the U.S. Holder, and will be irrevocable without the consent of the IRS.

Upon receipt of an interest payment (including a payment attributable to accrued but unpaid interest upon the sale or retirement of a Note) denominated in, or determined by reference to, a foreign currency, the U.S. Holder may recognize U.S. source exchange gain or loss (taxable as ordinary income or loss) equal to the difference between the amount received (translated into U.S. dollars at the spot rate on the date of receipt) and the amount previously accrued, regardless of whether the payment is in fact converted into U.S. dollars.

### ***OID***

OID for each accrual period on a Discount Note that is denominated in, or determined by reference to, a foreign currency, will be determined in the foreign currency and then translated into U.S. dollars in the same manner as stated interest accrued by an accrual basis U.S. Holder, as described above. Upon receipt of an amount attributable to OID (whether in connection with a payment on the Note or a sale or disposition of the Note), a U.S. Holder may recognize U.S. source exchange gain or loss (taxable as ordinary income or loss) equal to the difference between the amount received (translated into U.S. dollars at the spot rate on the date of receipt) and the amount previously accrued, regardless of whether the payment is in fact converted into U.S. dollars.

### ***Market Discount***

Market discount on a Note that is denominated in, or determined by reference to, a foreign currency, will be accrued in the foreign currency. If the U.S. Holder elects to include market discount in income currently, the accrued market discount will be translated into U.S. dollars at the average exchange rate for the accrual period (or portion thereof within the U.S. Holder's taxable year). Upon the receipt of an amount attributable to accrued market discount, the U.S. Holder may recognize U.S. source exchange gain or loss (which will be taxable as ordinary income or loss) determined in the same manner as for accrued interest or OID. A U.S. Holder that does not elect to include market discount in income currently will recognize, upon the sale or retirement of the Note, the U.S. dollar value of the amount accrued, calculated at the spot rate on that date, and no part of this accrued market discount will be treated as exchange gain or loss.

### ***Bond Premium***

Bond premium (including acquisition premium) on a Note that is denominated in, or determined by reference to, a foreign currency, will be computed in units of the foreign currency, and any such bond premium that is taken into account currently will reduce interest income (or OID) in units of the foreign currency. On the date bond premium offsets interest income (or OID), a U.S. Holder may recognize U.S. source exchange gain or loss (taxable as ordinary income or loss) equal to the amount offset multiplied by the difference between the spot rate in effect on the date of the offset, and the spot rate in effect on the date the Notes were acquired by the U.S. Holder. A U.S. Holder that does not elect to take bond premium (other than acquisition premium) into account currently will recognize a market loss when the Note matures.



### ***Sale or Retirement***

As discussed above under “Purchase, Sale and Retirement of Notes”, a U.S. Holder will generally recognize gain or loss on the sale or retirement of a Note equal to the difference between the amount realized on the sale or retirement and its tax basis in the Note, in each case as determined in U.S. dollars. U.S. Holders should consult their own tax advisors about how to account for proceeds received on the sale or retirement of Notes that are not paid in U.S. dollars.

A U.S. Holder will recognize U.S. source exchange rate gain or loss (taxable as ordinary income or loss) on the sale or retirement of a Note equal to the difference, if any, between the U.S. dollar values of the U.S. Holder’s purchase price for the Note (as adjusted for amortized bond premium, if any) (a) on the date of sale or retirement and (b) on the date on which the U.S. Holder acquired the Note. Any such exchange rate gain or loss will be realized only to the extent of total gain or loss realized on the sale or retirement (including any exchange gain or loss with respect to the receipt of accrued but unpaid interest).

### ***Disposition of Foreign Currency***

Foreign currency received as interest on a Note or on the sale or retirement of a Note will have a tax basis equal to its U.S. dollar value at the time the foreign currency is received. Foreign currency that is purchased will generally have a tax basis equal to the U.S. dollar value of the foreign currency on the date of purchase. Any gain or loss recognized on a sale or other disposition of a foreign currency (including its use to purchase Notes or upon exchange for U.S. dollars) will be U.S. source ordinary income or loss.

### ***Occurrence of a Benchmark Event for Notes Linked to or Referencing a Benchmark***

If a Benchmark Event occurs, it is possible that the Benchmark Event will be treated as a deemed exchange of old notes for new notes under Section 1001 of the Code, which may be taxable to U.S. Holders. Recently released proposed U.S. Treasury Regulations, which are not yet in effect but upon which taxpayers may rely, provide that in certain circumstances, the replacement of LIBOR with a qualifying reference rate would not result in a deemed exchange under Section 1001 of the Code. U.S. Holders should consult with their own tax advisors regarding the potential consequences of a Benchmark Event.

### ***Perpetual Capital Securities***

#### ***Distributions***

##### ***General***

Distributions on Perpetual Capital Securities by the Issuer, before reduction for any withholding tax paid by the Issuer with respect thereto (and including any additional amounts paid in respect of such withholding), generally will be taxable to a U.S. Holder as dividend income to the extent of the Issuer’s current or accumulated earnings and profits (as determined for U.S. federal income tax purposes), and will not be eligible for the dividends received deduction allowed to corporations. Distributions in excess of current and accumulated earnings and profits will be treated as a non-taxable return of capital to the extent of the U.S. Holder’s basis in the Perpetual Capital Securities and thereafter as capital gain. However, the Issuer does not maintain calculations of its earnings and profits in accordance with U.S. federal income tax accounting principles. U.S. Holders should therefore assume that any distributions by the Issuer with respect to Perpetual Capital Securities will be reported as ordinary dividend income. U.S. Holders should consult their own tax advisors with respect to the appropriate U.S. federal income tax treatment of any distributions on Perpetual Capital Securities received from the Issuer.

### ***Foreign Currency Distributions***

Distributions paid in a foreign currency will be included in income in a U.S. dollar amount calculated by reference to the exchange rate in effect on the day the distributions are received by the U.S. Holder, regardless of whether the foreign currency is converted into U.S. dollars at that time. If the distributions received in a foreign currency are converted into U.S. dollars on the day they are received, the U.S. Holder generally will not be required to recognize foreign currency gain or loss in respect of the distribution.

### ***Effect of Singaporean Withholding Taxes***

As discussed above under “– Distributions – General”, the amount of any distribution on the Perpetual Capital Securities will include amounts, if any, withheld in respect of Singaporean taxes. For more information on Singaporean withholding taxes, please see the discussion under “Taxation – Singapore Taxation”. Distributions that the Issuer pays with respect to the Perpetual Capital Securities will be considered foreign-source income to U.S. Holders. Subject to applicable limitations, some of which vary depending upon the U.S. Holder’s circumstances, a U.S. Holder generally will be entitled to a credit against its U.S. federal income tax liability, or a deduction in computing its U.S. federal taxable income, for Singaporean income taxes withheld by OCBC Bank.

Dividend income generally constitutes “passive category income” for purposes of the foreign tax credit. The rules governing foreign tax credits are complex. Prospective purchasers should consult their tax advisors concerning the foreign tax credit implications of the payment of Singaporean (or other non-U.S.) taxes.

### ***Sale, Redemption, Maturity or Write-Off***

For U.S. federal income tax purposes, gain or loss realized on the sale, redemption, maturity or Write-off of the Perpetual Capital Securities will be capital gain or loss, and will be long-term capital gain or loss if the U.S. Holder held the Perpetual Capital Securities for more than one year. The amount of the gain or loss will equal the difference between the U.S. Holder’s adjusted tax basis in the Perpetual Capital Securities disposed of and the amount realized on the disposition, in each case as determined in U.S. dollars. A U.S. Holder’s adjusted tax basis in a Perpetual Capital Security generally will be its U.S. dollar cost. Such gain or loss will generally be U.S.-source gain or loss for foreign tax credit purposes. The deductibility of capital losses is subject to limitations. U.S. Holders should consult their own tax advisors about how to account for proceeds received on the sale, redemption, maturity or Write-off of Perpetual Capital Securities that are not paid in U.S. dollars.

A U.S. Holder will have a tax basis in the foreign currency received equal to its U.S. dollar value at the spot rate on the settlement date. Any currency gain or loss realized in the sale, exchange, redemption or other disposition of the Perpetual Capital Securities or on a subsequent conversion or other disposition of the foreign currency for a different U.S. dollar amount generally will be treated as U.S. source ordinary income or loss.

### ***Passive Foreign Investment Company Considerations (“PFIC”)***

A non-U.S. corporation will be a PFIC in any taxable year in which, after taking into account the income and assets of the corporation and certain subsidiaries pursuant to applicable “look-through rules,” either (i) at least 75% of its gross income is “passive income” or (ii) at least 50% of the average value of its assets is attributable to assets which produce passive income or are held for the production of passive income. Although interest, dividends, and gain from the disposition of assets held as investments are generally treated as passive income for these purposes, special rules exclude (a) income connected to an active banking business earned by

certain banks and (b) income connected to an active insurance businesses earned by certain insurance companies from treatment as passive income for purposes of these tests. OCBC Bank believes that its subsidiaries currently qualify as banks or insurance companies eligible for income connected with their active banking or insurance businesses, as applicable, to be excluded from passive income treatment under these rules. As a result, OCBC Bank does not believe that it should be treated as a PFIC. OCBC Bank's possible status as a PFIC must be determined annually, however, and may be subject to change if OCBC Bank fails to qualify under these special rules for any year in which a U.S. Holder holds Perpetual Capital Securities. If OCBC Bank were to be treated as a PFIC in any year, U.S. Holders of Perpetual Capital Securities would be required to (i) pay a special U.S. addition to tax on certain distributions and gains on sale, (ii) pay tax on any gain from the sale of Perpetual Capital Securities at ordinary income (rather than capital gains) rates in addition to paying the special addition to tax on this gain, and (iii) comply with additional U.S. federal income tax reporting obligations. Additionally, dividends paid by OCBC Bank would not be eligible for the special reduced rate of tax described above under “– Distributions – General”. Prospective purchasers should consult their tax advisors regarding the potential application of the PFIC regime.

### ***Backup Withholding and Information Reporting***

In general, payments by a U.S. paying agent or other U.S. intermediary of interest and accruals of OID on, and the proceeds of a sale, redemption or other disposition of, the Notes, as well as distributions and other proceeds with respect to the Perpetual Capital Securities payable to a U.S. Holder will be reported to the IRS and to the U.S. Holder as may be required under applicable regulations. Backup withholding will apply to these payments, including payments of accrued OID, if the U.S. Holder fails to provide an accurate taxpayer identification number or certification of exempt status or otherwise fails to comply with applicable certification requirements. Certain U.S. Holders are not subject to backup withholding. U.S. Holders should consult their tax advisors about these rules and any other reporting obligations that may apply to the ownership or disposition of Notes, including requirements related to the holding of certain “specified foreign financial assets”.

### ***Reportable Transactions***

A U.S. taxpayer that participates in a “reportable transaction” will be required to disclose its participation to the IRS. Under the relevant rules, if the Notes are denominated in a foreign currency, a U.S. Holder may be required to treat a foreign currency exchange loss from the Notes as a reportable transaction if this loss exceeds the relevant threshold in the regulations (U.S.\$50,000 in a single taxable year, if the U.S. Holder is an individual or trust, or higher amounts for other non-individual U.S. Holders), and to disclose its investment by filing Form 8886 with the IRS. A penalty in the amount of U.S.\$10,000 in the case of a natural person and U.S.\$50,000 in all other cases is generally imposed on any taxpayer that fails to timely file an information return with the IRS with respect to a transaction resulting in a loss that is treated as a reportable transaction. Prospective purchasers are urged to consult their tax advisors regarding the application of these rules.

### **U.S. Foreign Account Tax Compliance Withholding**

Pursuant to certain provisions of U.S. law, commonly known as FATCA, a “foreign financial institution” may be required to withhold on certain payments it makes (“**foreign passthru payments**”) to persons that fail to meet certain certification, reporting, or related requirements. The Issuer believes that it is a foreign financial institution for these purposes. A number of jurisdictions (including Singapore) have entered into, or have agreed in substance to, intergovernmental agreements with the United States to implement FATCA (“**IGAs**”), which modify the way in which FATCA applies in their jurisdictions. Certain aspects of the application of the FATCA provisions and IGAs to instruments such as the Notes, including whether withholding

would ever be required pursuant to FATCA or an IGA with respect to payments on instruments such as the Notes, are uncertain and may be subject to change. Even if withholding would be required pursuant to FATCA or an IGA with respect to payments on instruments such as the Notes, such withholding would not apply to foreign passthru payments prior to the date that is two years after the date on which final regulations defining “foreign passthru payments” are published in the U.S. Federal Register. In the preamble to the proposed regulations, the U.S. Treasury Department indicated that taxpayers may rely on these proposed regulations until the issuance of final regulations. Additionally, Notes that are characterised as debt (or which are not otherwise treated as equity and have a fixed term) for U.S. federal income tax purposes that are issued on or prior to the date that is six months after the date on which final regulations defining “foreign passthru payments” are filed with the U.S. Federal Register generally would be “grandfathered” for purposes of FATCA withholding unless materially modified after such date. However, if additional Notes (as described under “Terms and Conditions of the Notes other than the Perpetual Capital Securities – Further Issues”) that are not distinguishable from grandfathered Notes are issued after the expiration of the grandfathering period and are subject to withholding under FATCA, then withholding agents may treat all the Notes in the series, including grandfathered Notes, as subject to withholding under FATCA. Holders should consult their own tax advisors regarding how these rules may apply to their investment in the Notes. In the event any withholding would be required pursuant to FATCA or an IGA with respect to payments on the Notes, no person will be required to pay additional amounts as a result of the withholding.

### **Singapore Taxation**

The statements below are general in nature and are based on certain aspects of current tax laws in Singapore and administrative guidelines and circulars issued by the MAS in force as at the date of this Offering Memorandum and are subject to any changes in such laws, administrative guidelines or circulars, or the interpretation of those laws, guidelines or circulars, occurring after such date, which changes could be made on a retroactive basis. Neither these statements nor any other statements in this Offering Memorandum are intended or are to be regarded as advice on the tax position of any holder of the Notes or of any person acquiring, selling or otherwise dealing with the Notes or on any tax implications arising from the acquisition, sale or other dealings in respect of the Notes. The statements made herein do not purport to be a comprehensive description of all the tax considerations that may be relevant to a decision to purchase, own or dispose of the Notes and do not purport to deal with the tax consequences applicable to all categories of investors, some of which (such as dealers in securities or financial institutions in Singapore which have been granted the relevant Financial Sector Incentive(s)) may be subject to special rules or tax rates. Prospective Noteholders or the Securityholders, as the case may be, are advised to consult their own tax advisors as to the Singapore or other tax consequences of the acquisition, ownership of or disposal of the Notes, including the effect of any foreign, state or local tax laws to which they are subject. It is emphasized that neither OCBC Bank nor any other persons involved in the Program accepts responsibility for any tax effects or liabilities resulting from the subscription for, purchase, holding or disposal of the Notes.

In addition, the statements below are on the assumption that the Inland Revenue Authority of Singapore (“**IRAS**”) regards the (a) Subordinated Notes containing non-viability loss absorption provisions as debt securities for the purposes of the Income Tax Act, Chapter 134 of Singapore (the “**ITA**”) and eligible for the Qualifying Debt Securities Scheme; and (b) Notes constituting Perpetual Capital Securities as “AT1 instruments” within the meaning of Section 100(2) of the ITA. If any Tranche of the Subordinated Notes is not regarded as debt securities for the purposes of the ITA or any Tranche of Notes constituting Perpetual Capital Securities is not regarded as “AT1 instruments” within the meaning of Section 100(2) of the ITA, and/or holders thereof are not eligible for the tax concessions under the Qualifying Debt Securities Scheme, the tax treatment to holders may differ. Investors and holders of any Tranche of such Notes should consult their own accounting and tax advisors regarding the Singapore income tax consequences of their acquisition, holding and disposal of any Tranche of the Notes.

### ***Interest and Other Payments***

Subject to the following paragraphs, under Section 12(6) of the ITA the following payments are deemed to be derived from Singapore:

- (a) any interest, commission, fee or any other payment in connection with any loan or indebtedness or with any arrangement, management, guarantee, or service relating to any loan or indebtedness which is (i) borne, directly or indirectly, by a person resident in Singapore or a permanent establishment in Singapore (except in respect of any business carried on outside Singapore through a permanent establishment outside Singapore or any immovable property situated outside Singapore) or (ii) deductible against any income accruing in or derived from Singapore; or
- (b) any income derived from loans where the funds provided by such loans are brought into or used in Singapore.

Such payments, where made to a person not known to the paying party to be a resident in Singapore for tax purposes, are generally subject to withholding tax in Singapore. The rate at which tax is to be withheld for such payments (other than those subject to the 15% final withholding tax described below) to non-resident persons (other than non-resident individuals) is currently 17%. The applicable rate for non-resident individuals is currently 22%. However, if the payment is derived by a person not resident in Singapore otherwise than from any trade, business, profession or vocation carried on or exercised by such person in Singapore and is not effectively connected with any permanent establishment in Singapore of that person, the payment is subject to a final withholding tax of 15%. The rate of 15% may be reduced by applicable tax treaties.

Certain Singapore-sourced investment income derived by individuals from financial instruments is exempt from tax, including:

- (a) interest from debt securities derived on or after January 1, 2004;
- (b) discount income (not including discount income arising from secondary trading) from debt securities derived on or after February 17, 2006; and
- (c) prepayment fee, redemption premium and break cost from debt securities derived on or after February 15, 2007,

except where such income is derived through a partnership in Singapore or is derived from the carrying on of a trade, business or profession in Singapore.

### ***Withholding Tax Exemption on Qualifying Payments by Specified Entities***

Pursuant to Section 45I of the ITA, payments of income which are deemed under Section 12(6) of the ITA to be derived from Singapore and which are made by a specified entity shall be exempt from withholding tax if such payments are liable to be made by such specified entity for the purpose of its trade or business under a debt security which is issued within the period from February 17, 2012 to March 31, 2021. Notwithstanding the above, permanent establishments in Singapore of non-resident persons are required to declare such payments in their annual income tax returns and will be assessed to tax on such payments (unless specifically exempt from tax).

A specified entity includes a bank licensed under the Banking Act, Chapter 19 of Singapore or a merchant bank approved under the Monetary Authority of Singapore Act, Chapter 186 of Singapore.

### **Qualifying Debt Securities Scheme**

As the Program as a whole is arranged by an Approved Bond Intermediary (as defined in the ITA) prior to January 1, 2004, by Financial Sector Incentive (Bond Market) Company(ies) (as defined in the ITA) prior to January 1, 2014 and by Financial Sector Incentive (Bond Market) Companies, Financial Sector Incentive (Standard Tier) Companies or Financial Sector Incentive (Capital Market) Companies (as defined in the ITA) from January 1, 2014, any Tranche of the Notes ("**Relevant Notes**") issued or to be issued as debt securities under the Program during the period from the date of this Offering Memorandum to December 31, 2023 would be qualifying debt securities ("**QDS**") for the purposes of the ITA, to which the following treatment shall apply:

- (a) subject to certain prescribed conditions having been fulfilled (including the submission by OCBC Bank, or such other person as the MAS may direct, to the MAS of a return on debt securities in respect of the Relevant Notes in the prescribed format within such period as the MAS may specify and such other particulars in connection with the Relevant Notes as the MAS may require and the inclusion by OCBC Bank in all offering documents relating to the Relevant Notes of a statement to the effect that where interest, discount income, prepayment fee, redemption premium or break cost from the Relevant Notes is derived by a person who is not resident in Singapore and who carries on any operation in Singapore through a permanent establishment in Singapore, the tax exemption for qualifying debt securities shall not apply if the non-resident person acquires the Relevant Notes using funds from that person's operations through the Singapore permanent establishment), interest, discount income (not including discount income arising from secondary trading), prepayment fee, redemption premium and break cost (collectively the "**Qualifying Income**") from the Relevant Notes derived by a holder who is not resident in Singapore and who (aa) does not have any permanent establishment in Singapore or (bb) carries on any operation in Singapore through a permanent establishment in Singapore but the funds used by that person to acquire the Relevant Notes are not obtained from such person's operation through a permanent establishment in Singapore, are exempt from Singapore income tax. "**Funds from Singapore operations**" means, in relation to a person, the funds and profits of that person's operations through a permanent establishment in Singapore;
- (b) subject to certain conditions having been fulfilled (including the submission by OCBC Bank, or such other person as the MAS may direct, to the MAS of a return on debt securities in respect of the Relevant Notes in the prescribed format within such period as the MAS may specify and such other particulars in connection with the Relevant Notes as the MAS may require), Qualifying Income derived by any company or a body of persons (as defined in the ITA) in Singapore is subject to income tax at a concessionary rate of 10% (except for holders of the relevant Financial Sector Incentive(s) who may be taxed at different rates); and
- (c) subject to:
  - (i) OCBC Bank including in all offering documents relating to the Relevant Notes a statement to the effect that any person whose interest, discount income, prepayment fee, redemption premium or break cost derived from the Relevant Notes is not exempt from tax shall include such income in a return of income made under the ITA; and
  - (ii) the submission by OCBC Bank, or such other person as the MAS may direct, to the MAS of a return on debt securities in respect of the Relevant Notes in the prescribed format within such period as the MAS may specify and such other particulars in connection with the Relevant Notes as the MAS may require,

payments of Qualifying Income derived from the Relevant Notes are not subject to withholding of tax by OCBC Bank.

Notwithstanding the foregoing:

- (a) if during the primary launch of any Tranche of Relevant Notes, the Relevant Notes of such Tranche are issued to fewer than four persons and 50% or more of the issue of such Relevant Notes is beneficially held or funded, directly or indirectly, by related parties of OCBC Bank, such Relevant Notes would not qualify as QDS; and
- (b) even though a particular Tranche of Relevant Notes are QDS, if, at any time during the tenure of such Tranche of Relevant Notes, 50% or more of such Relevant Notes which are outstanding at any time during the life of their issue is beneficially held or funded, directly or indirectly, by any related party(ies) of OCBC Bank, Qualifying Income derived from such Relevant Notes held by:
  - (i) any related party of OCBC Bank; or
  - (ii) any other person where the funds used by such person to acquire such Relevant Notes are obtained, directly or indirectly, from any related party of OCBC Bank,

shall not be eligible for the tax exemption or concessionary rate of tax described above.

The term “**related party**”, in relation to a person, means any other person who, directly or indirectly, controls that person, or is controlled, directly or indirectly, by that person, or where he and that other person, directly or indirectly, are under the control of a common person.

The terms “break cost”, “prepayment fee” and “redemption premium” are defined in the ITA as follows:

- (a) “**break cost**”, in relation to debt securities and qualifying debt securities, means any fee payable by the issuer of the securities on the early redemption of the securities, the amount of which is determined by any loss or liability incurred by the holder of the securities in connection with such redemption;
- (b) “**prepayment fee**”, in relation to debt securities and qualifying debt securities, means any fee payable by the issuer of the securities on the early redemption of the securities, the amount of which is determined by the terms of the issuance of the securities; and
- (c) “**redemption premium**”, in relation to debt securities and qualifying debt securities, means any premium payable by the issuer of the securities on the redemption of the securities upon their maturity.

References to “**break cost**”, “**prepayment fee**” and “**redemption premium**” in this Singapore tax disclosure have the same meaning as defined in the ITA.

Where interest, discount income, prepayment fee, redemption premium and break cost (i.e. the Qualifying Income) is derived from any of the Relevant Notes by any person who is not resident in Singapore and who carries on any operations in Singapore through a permanent establishment in Singapore, the tax exemption available for QDS under the ITA (as mentioned above) shall not apply if such person acquires such Relevant Notes using the funds and profits of such person’s operations through a permanent establishment in Singapore. Any person whose interest, discount income, prepayment fee, redemption premium or break cost (i.e. the Qualifying Income) derived from the Relevant Notes is not exempt from tax is required to include such income in a return of income made under the ITA.

## **Capital Gains**

Any gains considered to be in the nature of capital made from the sale of the Notes will not be taxable in Singapore. However, any gains derived by any person from the sale of the Notes as part of a trade or business carried on by that person in Singapore may be taxable as such gains are considered revenue in nature.

Noteholders or the Securityholders, as the case may be, who are adopting Singapore Financial Reporting Standard (“**FRS**”) 39, FRS 109 or Singapore Financial Reporting Standard (International) 9 (“**SFRS(I) 9**”) (as the case may be) for Singapore income tax purposes may be required to recognize gains or losses (not being gains or losses in the nature of capital) for tax purposes in accordance with the provisions of FRS 39, FRS 109 or SFRS(I) 9 (as the case may be) (as modified by the applicable provisions of Singapore income tax law) even though no sale or disposal of the Notes is made. See also “Adoption of FRS 39, FRS 109 and SFRS(I) 9 for Singapore Income Tax Purposes” below.

### **Adoption of FRS 39, FRS 109 and SFRS(I) 9 for Singapore Income Tax Purposes**

Section 34A of the ITA provides for the tax treatment for financial instruments in accordance with FRS 39 (subject to certain exceptions and “opt-out” provisions) to taxpayers who are required to comply with FRS 39 for financial reporting purposes. The IRAS has also issued a circular entitled “*Income Tax Implications Arising from the Adoption of FRS 39–Financial Instruments: Recognition and Measurement*”.

FRS 109 or SFRS(I) 9 (as the case may be) is mandatorily effective for annual periods beginning on or after January 1, 2018, replacing FRS 39. Section 34AA of the ITA requires taxpayers who comply or who are required to comply with FRS 109 or SFRS(I) 9 for financial reporting purposes to calculate their profit, loss or expense for Singapore income tax purposes in respect of financial instruments in accordance with FRS 109 or SFRS(I) 9 (as the case may be), subject to certain exceptions. The IRAS has also issued a circular entitled “*Income Tax: Income Tax Treatment Arising from Adoption of FRS 109–Financial Instruments*”.

Noteholders or the Securityholders, as the case may be, who may be subject to the tax treatment under Sections 34A or 34AA of the ITA should consult their own accounting and tax advisors regarding the Singapore income tax consequences of their acquisition, holding or disposal of the Notes.

## **Estate Duty**

Singapore estate duty has been abolished with respect to all deaths occurring on or after February 15, 2008.

## **Australia Taxation**

### **Notes issued by OCBC Bank other than through its Sydney branch or by a Specified Issuer which is not an Australian resident**

The following is a summary of the Australian withholding tax treatment under the Income Tax Assessment Acts of 1936 and 1997 of Australia (together, “**Australian Tax Act**”), at the date of this Offering Memorandum, of payments of interest on the Notes to be issued by OCBC Bank (other than through its Sydney branch) or by a Specified Issuer that is not an Australian resident nor otherwise carrying on business at or through a permanent establishment in Australia (each a “**non-Australian Issuer**”) under the Program and certain other tax matters. It is not exhaustive and, in particular, does not deal with the position of certain classes of Noteholders or Securityholders, as the case may be, (including, dealers in securities, custodians or other third parties who hold Notes on behalf of other persons).



The summary is not intended to be, nor should it be construed as, legal or tax advice to any particular Noteholders or Securityholders. It is a general guide only and should be treated with appropriate caution. Prospective Noteholders or the Securityholders, as the case may be, who are in any doubt as to their tax position should consult their professional advisors on the tax implications of an investment in the Notes for their particular circumstances.

### ***Interest withholding tax***

So long as a non-Australian Issuer continues to be a non-resident of Australia and the Notes issued by it are not attributable to a permanent establishment of that non-Australian Issuer in Australia, payments of principal and interest made under Notes issued by it should not be subject to Australian interest withholding tax.

### ***Other tax matters***

Under Australian laws as presently in effect:

- (d) Death duties. No Notes will be subject to death, estate or succession duties imposed by Australia, or by any political subdivision or authority therein having power to tax, if held at the time of death.
- (e) Stamp duty and other taxes. No ad valorem stamp, issue, registration or similar taxes are payable in Australia on the issue or transfer of any Notes.
- (f) Other withholding taxes on payments in respect of Notes. So long as a non-Australian Issuer continues to be a non-resident of Australia and does not issue Notes in carrying on a business at or through a permanent establishment in Australia, the tax file number requirements of Part VA of the Australian Tax Act and Section 12-140 of Schedule 1 to the Taxation Administration Act 1953 of Australia ("**Taxation Administration Act**") should not apply to the non-Australian Issuer in connection with Notes issued by that non-Australian Issuer.
- (g) Supply withholding tax. Payments in respect of the Notes can be made free and clear of the "supply withholding tax" imposed under Section 12-190 of Schedule 1 to the Taxation Administration Act.
- (h) Goods and services tax (GST). Neither the issue nor receipt of the Notes will give rise to a liability for GST in Australia on the basis that the supply of Notes will comprise either an input taxed financial supply, a GST-free supply or a supply which is outside the scope of the GST law. Furthermore, neither the payment of principal or interest by that non-Australian Issuer nor the disposal of the Notes, would give rise to any GST liability in Australia.

### **Notes issued by the Sydney branch of OCBC Bank or an Australian-resident Specified Issuer**

The following is a summary of the Australian withholding tax treatment under the Australian Tax Act, at the date of this Offering Memorandum, of payments of interest (as defined in the Australian Tax Act) on Notes (the "**Australian Notes**") to be issued by either the Sydney branch of OCBC Bank or a Specified Issuer that is a resident of Australia (and which is not issuing the Notes in carrying on business through a branch outside of Australia) (each an "**Australian Issuer**") under the Program and certain other tax matters. It is not exhaustive and, in particular, does not deal with the position of certain classes of holders of Australian Notes (including, dealers in securities, custodians or other third parties who hold Australian Notes on behalf of other persons).

Prospective holders of Australian Notes should also be aware that particular terms of issue of any Series of Australian Notes may affect the tax treatment of that Series of Australian Notes.

This summary is not intended to be, nor should it be construed as, legal or tax advice to any particular holder of Australian Notes. It is a general guide only and should be treated with appropriate caution. Prospective holders of Australian Notes who are in any doubt as to their tax position should consult their professional advisors on the tax implications of an investment in the Australian Notes for their particular circumstances.

### ***Interest withholding tax***

An exemption from Australian interest withholding tax imposed under Division 11A of Part III of the Australian Tax Act (“**IWT**”) is available, in respect of the Australian Notes issued by an Australian Issuer under Section 128F of the Australian Tax Act if the following conditions are met:

- (i) the Australian Issuer is a company as defined in Section 128F(9) (which includes certain companies acting as a trustee) and either a resident of Australia or a non-resident carrying on business at or through a permanent establishment in Australia when it issues those Australian Notes and when interest (as defined in Section 128A(1AB) of the Australian Tax Act) is paid. Interest is defined to include amounts in the nature of, or in substitution for, interest and certain other amounts;
- (j) those Australian Notes are “debentures” for the purposes of Section 128F of the Australian Tax Act and are issued in a manner which satisfies the public offer test. There are five principal methods of satisfying the public offer test, the purpose of which is to ensure that lenders in capital markets are aware that the Australian Issuer is offering those Australian Notes for issue. In summary, the five methods are:
  - (i) offers to 10 or more unrelated persons carrying on a business of providing finance, or investing or dealing in securities, in the course of operating in financial markets;;
  - (ii) offers to 100 or more investors;
  - (iii) offers of listed Australian Notes;
  - (iv) offers via publicly available information sources; and
  - (v) offers to a dealer, manager or underwriter who offers to sell those Australian Notes within 30 days by one of the preceding methods.

In addition, the issue of any of those Australian Notes (whether in global form or otherwise) and the offering of interests in any of those Australian Notes by one of these methods should satisfy the public offer test;

- (k) the Australian Issuer does not know, or have reasonable grounds to suspect, at the time of issue, that those Australian Notes or interests in those Australian Notes were being, or would later be, acquired, directly or indirectly, by an “associate” (as defined in Section 128F(9) of the Australian Tax Act) of the Australian Issuer, except as permitted by Section 128F(5) of the Australian Tax Act; and
- (l) at the time of the payment of interest, the Australian Issuer does not know, or have reasonable grounds to suspect, that the payee is an “associate” (as defined in Section 128F(9) of the Australian Tax Act) of the Australian Issuer, except as permitted by Section 128F(6) of the Australian Tax Act.

### ***Compliance with Section 128F of the Australian Tax Act***

Unless otherwise specified in any relevant supplement to this Offering Memorandum, the Australian Issuer intends to issue the Australian Notes in a manner which will satisfy the requirements of Section 128F of the Australian Tax Act.

The Australian Issuer intends to issue Australian Notes which will be characterized as both “debt interests” and “debentures” for the purposes of the Australian Tax Act.

### ***Exemptions under recent tax treaties***

The Australian government has signed double tax conventions (“**Specified Treaties**”) with a number of countries (each a “**Specified Country**”) which contain certain exemptions from IWT.

In broad terms, the Specified Treaties effectively prevent IWT applying to interest derived by:

- (m) the government of the relevant Specified Country and certain governmental authorities and agencies in the Specified Country; or
- (n) a “financial institution” which is a resident of a Specified Country and which is unrelated to and dealing wholly independently with the Australian Issuer. The term “financial institution” refers to either a bank or any other form of enterprise which substantially derives its profits by carrying on a business of raising and providing finance. (However, interest under a back-to-back loan or an economically equivalent arrangement will not qualify for this exemption.)

The Australian Federal Treasury maintains a listing of Australia’s double tax conventions which is available to the public at the Federal Treasury Department’s website.

### ***Notes in bearer form – Section 126 of the Australian Tax Act***

Section 126 of the Australian Tax Act imposes a type of withholding tax at the rate of 45% on the payment of interest on Australian Notes in bearer form if the Australian Issuer fails to disclose the names and addresses of the holders of those Australian Notes to the Australian Taxation Office.

Section 126 does not, however, apply to the payment of interest on Australian Notes in bearer form held by non-residents who do not carry on business at or through a permanent establishment in Australia where the issue of those Australian Notes has satisfied the requirements of Section 128F of the Australian Tax Act or IWT is payable.

In addition, the Australian Taxation Office has confirmed that for the purpose of Section 126 of the Australian Tax Act, the holder of debentures (such as the Australian Notes in bearer form) means the person in possession of the debentures. Section 126 is therefore limited in its application to persons in possession of Australian Notes in bearer form who are residents of Australia or non-residents who are engaged in carrying on business in Australia at or through a permanent establishment in Australia. Where interests in Australian Notes in bearer form are held through Euroclear, Clearstream, CDP or the CMU, the Australian Issuer intends to treat the operators of those clearing systems as the holders of those Australian Notes for the purposes of Section 126 of the Australian Tax Act.

### ***Payment of additional amounts***

As set out in more detail in the terms and conditions for the Australian Notes that are Senior Notes (“**Australian Senior Notes**”), and unless expressly provided to the contrary in any relevant supplement to this Offering Memorandum), if the Australian Issuer is at any time compelled or

authorized by law to deduct or withhold an amount in respect of any Australian withholding taxes imposed or levied by the Commonwealth of Australia in respect of the Australian Senior Notes, the Australian Issuer must, subject to certain exceptions, pay such additional amounts as shall result in receipt by the holders of those Australian Senior Notes of such amounts as would have been received by them had no such deduction or withholding been required. If the Australian Issuer is compelled, as a result of any change in, or amendment to, any law to deduct or withhold an amount in respect of any withholding taxes, the Australian Issuer will have the option to redeem the Australian Senior Notes, in whole but not in part, in accordance with the Conditions.

#### ***Other tax matters***

Under Australian laws as presently in effect:

- (o) Death duties. No Australian Notes will be subject to death, estate or succession duties imposed by Australia, or by any political subdivision or authority therein having power to tax, if held at the time of death;
- (p) Stamp duty and other taxes. No ad valorem stamp, issue, registration or similar taxes are payable in Australia on the issue or transfer of any Australian Notes;
- (q) Supply withholding tax. Payments in respect of the Australian Notes can be made free and clear of the “supply withholding tax” imposed under Section 12-190 of Schedule 1 to the Taxation Administration Act;
- (r) TFN/ABN withholding – withholding tax is imposed, currently at the rate of 47%, on the payment of interest on certain registered securities unless the relevant payee has quoted an Australian tax file number (“TFN”), (in certain circumstances) an Australian Business Number (“ABN”), or proof of some other exception (as appropriate).

Assuming the requirements of section 128F of the Australian Tax Act are satisfied with respect to the Notes, then such withholding should not apply to payments to a non-Australian resident holder that is not holding the Notes in carrying on business at or through a permanent establishment in Australia;

- (s) Goods and services tax (GST). Neither the issue nor receipt of the Australian Notes will give rise to a liability for GST in Australia on the basis that the supply of Australian Notes will comprise either an input taxed financial supply or (in the case of an offshore subscriber that is a non-resident of Australia) a GST-free supply. Furthermore, neither the payment of principal or interest by the Australian Issuer, nor the disposal of the Australian Notes, would give rise to any GST liability in Australia;
- (t) Additional withholdings from certain payments to non-residents. The Governor-General may make regulations requiring withholding from certain payments to non-residents of Australia (other than payments of interest and other amounts which are already subject to the current IWT rules or specifically exempt from those rules). Regulations may only be made if the responsible Minister is satisfied the specified payments are of a kind that could reasonably relate to assessable income of foreign residents. The possible application of any future regulations to the proceeds of any sale of the Notes will need to be monitored; and
- (u) Garnishee directions by the Commissioner of Taxation. The Commissioner may give a direction requiring the Australian Issuer to deduct from any payment to a holder of the Australian Notes any amount in respect of Australian tax payable by the holder. If the Australian Issuer is served with such a direction, then the Australian Issuer will comply with that direction and make any deduction required by that direction.

### ***The proposed financial transactions tax (“FTT”)***

On February 14, 2013, the European Commission published a proposal (the “**Commission’s Proposal**”) for a Directive for a common FTT in Belgium, Germany, Estonia, Greece, Spain, France, Italy, Austria, Portugal, Slovenia and Slovakia (the “**participating Member States**”). However, Estonia has since stated that it will not participate.

The Commission’s Proposal has very broad scope and could, if introduced, apply to certain dealings in the Notes (including secondary market transactions) in certain circumstances.

Under the Commission’s Proposal the FTT could apply in certain circumstances to persons both within and outside of the participating Member States. Generally, it would apply to certain dealings in the Notes where at least one party is a financial institution, and at least one party is established in a participating Member State. A financial institution may be, or be deemed to be, “established” in a participating Member State in a broad range of circumstances, including (a) by transacting with a person established in a participating Member State or (b) where the financial instrument which is subject to the dealings is issued in a participating Member State. The issuance and subscription of Notes should, however, be exempt.

A joint statement issued on December 8, 2015 by participating Member States (other than Estonia) indicated a high-level agreement on the scope of the FTT. However, the FTT proposal remains subject to further negotiation between the participating Member States and the scope of any such tax is uncertain. Additional EU Member States may decide to participate.

Prospective holders of the Notes are advised to seek their own professional advice in relation to the FTT.

## PLAN OF DISTRIBUTION

Subject to the terms and on the conditions contained in an amended and restated program agreement dated August 31, 2020 (the “**Program Agreement**”) between OCBC Bank, the Arrangers and the Dealers, the Notes will be offered on a continuous basis by the Issuer to the Dealers. The Notes may be reoffered and resold by the relevant Dealer at a price different from their issue price, including (without limitation) at prevailing market prices, or at prices related thereto, at the time of such reoffer and resale, in each case as determined by the relevant Dealer. The Notes may also be sold by the Issuer through Dealers, acting as agents of the Issuer. The Program Agreement also provides for Notes to be issued in syndicated Tranches that are underwritten by two or more Dealers. In the Program Agreement, OCBC Bank and any other Issuer that is not OCBC Bank have severally agreed to reimburse the Dealers for certain of their expenses in connection with the establishment and any future update of the Program. The Issuer may also from time to time agree with the relevant Dealer(s) that it may pay certain third parties commissions (including, without limitation, rebates to private banks). Further, the Issuer has agreed in the Program Agreement to reimburse the Dealers for certain of their expenses in connection with the issue of Notes under the Program and to indemnify the Dealers against certain liabilities incurred by them in connection with the offer and sale of the Notes. Except as otherwise indicated or as the context otherwise requires, references to “Issuer” in this “Plan of Distribution” refer to the issuer of a particular Tranche of Notes, including any Specified Issuer who has executed an accession letter agreeing to be bound by all the terms of the Program Agreement and a deed of accession agreeing to be bound by all the terms of the Agency Agreement and the Trust Deed.

In order to facilitate the offering of any Tranche of the Notes, one or more Dealers named as Stabilization Managers (or persons acting on behalf of any Stabilization Manager) in the relevant Pricing Supplement, to the extent permitted by applicable laws and regulations, may engage in transactions that stabilize, maintain or otherwise affect the market price of the relevant Notes during and after the offering of the Tranche. Specifically, such persons may over-allot or create a short position in the Notes for their own account by selling more Notes than have been sold to them by the Issuer. Such persons may also elect to cover any such short position by purchasing Notes in the open market. In addition, such persons may stabilize or maintain the price of the Notes by bidding for or purchasing Notes in the open market and may impose penalty bids, under which selling concessions allowed to syndicate members or other broker-dealers participating in the offering of the Notes are reclaimed if Notes previously distributed in the offering are repurchased in connection with stabilization transactions or otherwise. The effect of these transactions may be to stabilize or maintain the market price of the Notes at a level above that which might otherwise prevail in the open market. The imposition of a penalty bid may also affect the price of the Notes to the extent that it discourages resales thereof. No representation is made as to whether such stabilization activities will take place at all or the magnitude or effect of any such stabilizing or other transactions. Such transactions, if commenced, may be discontinued at any time. Stabilization activities are subject to certain prescribed time limits in certain jurisdictions. Any stabilization action may begin on or after the date on which adequate public disclosure of the terms of the offer of the relevant Tranche of Notes is made and, if begun, may be ended at any time, but it must end no later than the earlier of 30 days after the issue date of the relevant Tranche of Notes and 60 days after the date of the allotment of the relevant Tranche of Notes. Any such stabilization action may only be conducted outside Australia and on a market operated outside Australia.

Under Rule 15c6-1 under the Exchange Act, trades in the secondary market generally are required to settle in two business days, unless the parties to any such trade expressly agree otherwise. It is expected that delivery of Notes will be made against payment therefor on the relevant Issue Date, which could be more than two business days following the date of pricing. Accordingly, purchasers who wish to trade Notes in the United States more than two business days prior to the relevant Issue Date will be required, by virtue of the fact that the Notes initially may settle beyond

two business days after the trade date (T+2), to specify an alternate settlement cycle at the time of any such trade to prevent a failed settlement. The settlement date of a series of Notes will be set out in the applicable Pricing Supplement. Purchasers who wish to trade the Notes more than two business days prior to the Issue Date should consult their own advisors. See “*Clearing and Settlement – Pre-issue Trades Settlement for Registered Notes*”.

### **Declaration of Interest**

Oversea-Chinese Banking Corporation Limited is an Issuer and is also acting as an Arranger and a Dealer in respect of the Program.

The Dealers are full service financial institutions engaged in various activities, which may include securities trading, commercial and investment banking, financial advisory, investment management, investment research, principal investment, hedging, financing and brokerage activities. Each of the Dealers and their respective affiliates have, from time to time, performed, and may in the future perform, various financial advisory and investment banking services for the Issuer, for which they received or will receive customary fees and expenses.

In the ordinary course of their various business activities, the Dealers and their respective affiliates may make or hold a broad array of investments and actively trade debt and equity securities (or related derivative securities) and financial instruments (including bank loans) for their own account and for the accounts of their customers, and such investment and securities activities may involve securities and/or instruments of the Issuer. The Dealers and their respective affiliates may also make investment recommendations and/or publish or express independent research views in respect of such securities or instruments and may at any time hold, or recommend to clients that they acquire, long and/or short positions in such securities and instruments.

In connection with each Tranche of Notes issued under the Program, the Dealers or certain of their affiliates may purchase Notes and be allocated Notes for asset management and/or proprietary purposes but not with a view to distribution. In connection with each Tranche of Notes issued under the Program, the Dealers or their respective affiliates may purchase Notes for their own account and enter into transactions, including credit derivatives, such as asset swaps, repackaging and credit default swaps relating to such Notes and/or other securities of the Issuer or its subsidiaries or associates at the same time as the offer and sale of each Tranche of Notes or in secondary market transactions. Such transactions would be carried out as bilateral trades with selected counterparties and separately from any existing sale or resale of the Tranche of Notes to which a particular Pricing Supplement relates (notwithstanding that such selected counterparties may also be purchasers of such Tranche of Notes).

### **Selling Restrictions**

#### ***United States***

The Notes have not been and will not be registered under the Securities Act and have not been registered or qualified under any state securities or “blue sky” laws of any state of the United States, and the Notes may not be offered or sold within the United States or to, or for the account or benefit of, “U.S. persons” (as defined in Rule 902(k) of Regulation S) except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act.

The Bearer Notes are subject to U.S. tax law requirements and may not be offered, sold or delivered within the United States or its possessions or to a United States person, except in certain transactions permitted by U.S. tax regulations. Terms used in this paragraph have the meanings given to them by Code and regulations thereunder.

Each Dealer has represented, warranted and agreed, and each further Dealer appointed under the Program will represent, warrant and agree, that, except as permitted by the Program Agreement, it has offered and sold the Notes of any identifiable Tranche, and will offer and sell the Notes of any identifiable Tranche (i) as part of their distribution at any time or (ii) otherwise until 40 days after the later of the date of issue of the Notes of such Tranche and completion of the distribution of such Tranche as determined, and such completion is certified to each relevant Dealer, by the Issuing and Paying Agent or, in the case of a syndicated issue of Notes, the lead manager, only in accordance with Rule 903 of Regulation S or (only as provided below) Rule 144A.

Accordingly, each Dealer has represented, warranted and agreed, and each further Dealer appointed under the Program will represent, warrant and agree, that neither it, any of its affiliates nor any persons acting on its or their behalf has engaged or will engage in any directed selling efforts with respect to the Notes, and it and they have complied and will comply with the offering restrictions requirement of Regulation S. Each Dealer agrees to notify the Issuing and Paying Agent or, in the case of a syndicated issue of Notes, the lead manager when it has completed the distribution of its portion of the Notes of any Tranche so that the Issuing and Paying Agent or, in the case of a syndicated issue of Notes, the lead manager may determine the completion of the distribution of all Notes of such Tranche and notify the other relevant Dealers of the end of the “distribution compliance period” (as defined in Regulation S). Each Dealer agrees that, at or prior to confirmation of a sale of Notes, it will have sent to each distributor, dealer or person receiving a selling concession, fee or other remuneration that purchases Notes from it during the 40-day distribution compliance period commencing upon completion of the distribution of an identifiable Tranche as determined and certified to the Issuer a confirmation or notice to substantially the following effect:

“The securities covered hereby have not been registered under the U.S. Securities Act of 1933 (the “**Securities Act**”) and may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons (as defined in Rule 902(k) of Regulation S) (i) as part of their distribution at any time or (ii) otherwise until the expiration of 40 days after completion of the distribution of all Notes of the Tranche of which such Notes are a part as determined and certified by the relevant Dealer, in the case of a non-syndicated issue of Notes, or the lead manager, in the case of a syndicated issue of Notes, except in accordance with Regulation S or Rule 144A under the Securities Act.”

Until 40 days after the later of the date of issue and the completion of the distribution of any Notes, an offer or sale of such Notes within the United States by any Dealer that is not participating in the offering may violate the registration requirements of the Securities Act.

In addition, unless the Pricing Supplement, pricing term sheet or subscription agreement relating to one or more Tranches specifies that the applicable TEFRA exemption is either “TEFRA C” or “TEFRA not applicable” and except with respect to Notes for which the relevant Dealer and the Issuer agree, provided that such transaction is in accordance and compliance with applicable laws, that the following restrictions shall not apply, each Dealer has represented, warranted and agreed, and each further Dealer appointed under the Program will represent, warrant and agree, in relation to each Tranche of Bearer Notes that (terms used in this paragraph have the meanings given to them by the Code and regulations thereunder, including TEFRA D):

- (a) except to the extent permitted under U.S. Treas. Reg. §1.163-5(c)(2)(i)(D) (or any successor rules in substantially the same form that are applicable for purposes of Section 4701 of the Code) (“**TEFRA D**”), (i) it has not offered or sold, and during the restricted period it will not offer or sell, Notes in bearer form to a person who is within the United States or its possessions or to a United States person; and (ii) it has not delivered and agrees that it will not deliver within the United States or its possessions definitive Notes in bearer form that are sold during the restricted period;



- (b) it has and agrees that throughout the restricted period it will have in effect procedures reasonably designed to ensure that its employees or agents who are directly engaged in selling Notes are aware that such Notes may not be offered or sold during the restricted period to a person who is within the United States or its possessions or to a United States person, except as permitted by TEFRA D;
- (c) if it is a United States person, that it is acquiring the Notes in bearer form from a dealer for the purposes of resale in connection with their original issue and if it retains Notes for its own account, it will only do so in accordance with the requirements of U.S. Treas. Reg. §1.163-5(c)(2)(i)(D)(6) (or any successor rules in substantially the same form that are applicable for purposes of Section 4701 of the Code);
- (d) with respect to each affiliate that acquires Notes in bearer form for the purpose of offering or selling such Notes during the restricted period, it either (i) repeats and confirms the representations, warranties and agreements contained in sub-paragraphs (a) to (c) above on behalf of such affiliate or (ii) agrees that it will obtain from such affiliate for the benefit of the Issuer the representations, warranties and agreements contained in sub-paragraphs (a) to (c) above; and
- (e) it has not, and agrees that it will not, enter into any written contract (as defined in U.S. Treas. Reg. §1.163-5(c)(2)(i)(D)(4) (or any successor rules in substantially the same form that are applicable for purposes of Section 4701 of the Code)) pursuant to which any other party to the contract (other than one of its affiliates or another Dealer) has offered or sold, or during the restricted period will offer or sell, any Notes, except where pursuant to the contract the Dealer has obtained or will obtain from that party, for the benefit of the Issuer and the relevant Dealers, the representations, warranties and agreements contained in, and that party's agreement to comply with, the provisions of sub-paragraphs (a) to (d) above.

Notes issued pursuant to TEFRA D (other than temporary Global Notes) and any talons, receipts or coupons appertaining thereto will bear the following legend: "Any United States person who holds this obligation will be subject to limitations under the United States income tax laws, including the limitations provided in Sections 165(j) and 1287(a) of the Internal Revenue Code".

In addition, to the extent that the Pricing Supplement, pricing term sheet or the subscription agreement relating to one or more Tranches of Bearer Notes specifies that the applicable TEFRA exemption is "TEFRA C", under U.S. Treas. Reg. §.1.163-5(c)(2)(i)(C) (or any successor rules in substantially the same form that are applicable for purposes of Section 4701 of the Code) ("**TEFRA C**"), Notes in bearer form must be issued and delivered outside the United States and its possessions in connection with their original issuance. In relation to each such Tranche, each Dealer has represented, warranted and agreed, and each further Dealer appointed under the Program will represent, warrant and agree, that it has not offered, sold or delivered, and shall not offer, sell or deliver, directly or indirectly, Notes in bearer form within the United States or its possessions in connection with their original issuance. Further, in connection with the original issuance of Notes in bearer form, it has not communicated, and will not communicate, directly or indirectly, with a prospective purchaser if either such purchaser or it is within the United States or its possessions or otherwise involve its U.S. office in the offer or sale of Notes in bearer form. Terms used in this paragraph have the meanings given to them by the Code and regulations thereunder, including TEFRA C.

In connection with an offer or sale of any Notes in the United States or an offering in reliance on or pursuant to Regulation S, each Dealer has represented, warranted and agreed, and each further Dealer appointed under the Program will represent, warrant and agree, that it is (a) a "qualified institutional buyer" within the meaning of Rule 144A under the Securities Act or (b) a non-U.S. person outside of the United States.

Notwithstanding anything above to the contrary, it is understood that Rule 144A Notes may be offered and sold in the United States, and in connection therewith each Dealer has represented, warranted and agreed, and each further Dealer appointed under the Program will represent, warrant and agree, that:

- (a) offers, sales, resales and other transfers of Notes made in the United States that are made or approved by a Dealer (including offers, resales or other transfers made or approved by a Dealer in connection with secondary trading) shall be made with respect to Registered Notes only and shall be effected pursuant to an exemption from, or a transaction not subject to, the registration requirements of the Securities Act;
- (b) offers, sales, resales and other transfers of Notes made in the United States will be made only to institutional investors that are reasonably believed to qualify as “qualified institutional buyers” within the meaning of Rule 144A;
- (c) no (i) offers or sales of any security, or solicitations of offers to buy, or other negotiations in respect of, any security, under circumstances that would require the registration of the Notes under the Securities Act will be made; or (ii) general solicitation or general advertising within the meaning of Rule 502(c) under the Securities Act will be used in connection with the offering of the Notes in the United States;
- (d) such Dealer will deliver an Offering Memorandum to each “qualified institutional buyer” within the meaning of Rule 144A purchasing a Note or Notes from it pursuant to Rule 144A;
- (e) each Note sold in the United States shall contain a legend stating that such Note has not been, and will not be, registered under the Securities Act, that any resale or other transfer of such Note or any interest therein may be made only:
  - (i) to the Issuer or any subsidiary thereof;
  - (ii) to a qualified institutional buyer in a transaction which meets the requirements of Rule 144A;
  - (iii) outside the United States to a non-U.S. person pursuant to Regulation S under the Securities Act;
  - (iv) pursuant to an exemption from registration under the Securities Act provided by Rule 144 thereunder (if available); or
  - (v) pursuant to an effective registration statement under the Securities Act.

Any resale or other transfer, or attempted resale or other transfer of Notes sold as part of a private placement in the United States made other than in compliance with the restrictions set out in (i) to (v) above shall not be recognized by the Issuer or any agent of the Issuer and shall be void.

Resale or secondary market transfer of Notes in the United States may be made in the manner and to the parties specified above and to qualified institutional buyers in transactions which meet the requirements of Rule 144A.

Each issue of other types of Notes may be subject to such additional U.S. selling restrictions as the relevant Issuer and the Dealer(s) may agree as a term of the issuance and purchase or, as the case may be, subscription of such Notes, which additional selling restrictions shall be set out in the applicable Pricing Supplement, pricing term sheet or the subscription agreement, as the case may be. Each Dealer agrees that it shall offer, sell and deliver such Notes only in compliance with such additional U.S. selling restrictions.

### ***Prohibition of Sales to EEA and UK Retail Investors***

Each Dealer has represented, warranted and agreed, and each further Dealer appointed under the Program will represent, warrant and agree, that it has not offered, sold or otherwise made available and will not offer, sell or otherwise make available any Notes which are the subject of the offering contemplated by this Offering Memorandum as completed by the Pricing Supplement in relation thereto to any retail investor in the European Economic Area or in the United Kingdom. For the purposes of this provision:

- (a) the expression “**retail investor**” means a person who is one (or more) of the following:
  - (i) a retail client as defined in point (11) of MiFID II; or
  - (ii) a customer within the meaning of the Insurance Distribution Directive, where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; and
- (b) the expression “offer” includes the communication in any form and by any means of sufficient information on the terms of the offer and the Notes to be offered so as to enable an investor to decide to purchase or subscribe for the Notes.

### ***United Kingdom***

Each Dealer has represented, warranted and agreed, and each further Dealer appointed under the Program will represent, warrant and agree, that:

- (a) in relation to any Notes which have a maturity of less than one year, (i) it is a person whose ordinary activities involve it in acquiring, holding, managing or disposing of investments (as principal or agent) for the purposes of its business and (ii) it has not offered or sold and will not offer or sell any Notes other than to persons whose ordinary activities involve them in acquiring, holding, managing or disposing of investments (as principal or as agent) for the purposes of their businesses or who it is reasonable to expect will acquire, hold, manage or dispose of investments (as principal or agent) for the purposes of their businesses where the issue of the Notes would otherwise constitute a contravention of Section 19 of the FSMA by the Issuer;
- (b) it has only communicated or caused to be communicated and will only communicate or cause to be communicated any invitation or inducement to engage in investment activity (within the meaning of Section 21 of the FSMA) received by it in connection with the issue or sale of any Notes in circumstances in which Section 21(1) of the FSMA does not apply to the Issuer; and
- (c) it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to any Notes in, from or otherwise involving the United Kingdom.

### ***Singapore***

Each Dealer has acknowledged, and each further Dealer appointed under the Program will be required to acknowledge, that this Offering Memorandum has not been registered as a prospectus with the MAS. Accordingly, each Dealer has represented, warranted and agreed, and each further Dealer appointed under the Program will represent, warrant and agree, that it has not offered or sold any Notes or caused the Notes to be made the subject of an invitation for subscription or purchase and will not offer or sell any Notes or cause such Notes to be made the subject of an invitation for subscription or purchase, and has not circulated or distributed, nor will it circulate or distribute, this Offering Memorandum or any other document or material in connection with the

offer or sale, or invitation for subscription or purchase, of the Notes, whether directly or indirectly, to persons in Singapore other than (i) to an institutional investor (as defined in Section 4A of the SFA) pursuant to Section 274 of the SFA, (ii) to a relevant person (as defined in Section 275(2) of the SFA) pursuant to Section 275(1) of the SFA, or any person pursuant to Section 275(1A) of the SFA, and in accordance with the conditions specified in Section 275 of the SFA and (where applicable) Regulation 3 of the Securities and Futures (Classes of Investors) Regulations 2018 or (iii) otherwise pursuant to, and in accordance with the conditions of, any other applicable provision of the SFA.

Where the Notes are subscribed or purchased under Section 275 of the SFA, by a relevant person which is:

- (i) a corporation (which is not an accredited investor (as defined in the SFA)) the sole business of which is to hold investments and the entire share capital of which is owned by one or more individuals, each of whom is an accredited investor; or
- (ii) a trust (where the trustee is not an accredited investor) whose sole purpose is to hold investments and each beneficiary of the trust is an individual who is an accredited investor,

the securities or securities-based derivatives contracts (each as defined in Section 2(1) of the SFA) of that corporation or the beneficiaries' rights and interest (howsoever described) in that trust shall not be transferred within six months after that corporation or that trust has acquired the Notes pursuant to an offer made under Section 275 of the SFA except:

- (a) to an institutional investor or to a relevant person, or to any person arising from an offer referred to in Section 275(1A) or Section 276(4)(i)(B) of the SFA;
- (b) where no consideration is or will be given for the transfer;
- (c) where the transfer is by operation of law;
- (d) as specified in Section 276(7) of the SFA; or
- (e) as specified in Regulation 37A of the Securities and Futures (Offers of Investments) (Securities and Securities-based Derivatives Contracts) Regulations 2018.

Any reference to the SFA is a reference to the Securities and Futures Act, Chapter 289 of Singapore and a reference to any term as defined in the SFA or any provision in the SFA is a reference to that term or provision as modified or amended from time to time including by such of its subsidiary legislation as may be applicable at the relevant time.

### **Japan**

The Notes have not been and will not be registered for a public offering in Japan pursuant to Article 4, Paragraph 1 of the Financial Instruments and Exchange Act of Japan (Act No. 25 of 1948, as amended (the "**Financial Instruments and Exchange Act**"). Accordingly, the Notes may not be offered or sold, and each Dealer has represented, warranted and agreed, and each further Dealer appointed under the Program will represent, warrant and agree, that it has not offered or sold and will not offer or sell the Notes, directly or indirectly, in Japan or to, or for the benefit of, any resident of Japan (which term as used herein means any person resident in Japan, including any corporation or other entity organized under the laws of Japan) or to others for re-offering or re-sale, directly or indirectly, in Japan or to, or for the benefit of, any resident of Japan except pursuant to an exemption from the registration requirements of, and otherwise in compliance with the Financial Instruments and Exchange Act and other relevant laws and regulations of Japan.

## **Australia**

Each Dealer has represented, warranted and agreed, and each further Dealer appointed under the Program will represent, warrant and agree, that no prospectus or other disclosure document (as defined in the Corporations Act 2001 of Australia (the “**Australian Corporations Act**”)) in relation to the Program or any Notes has been or will be lodged with the Australian Securities and Investments Commission (“**ASIC**”) or the securities exchange operated by ASX Limited (ABN 98 008 624 691) (“**ASX Limited**”). Each Dealer has represented, warranted and agreed, and each further Dealer appointed under the Program will represent, warrant and agree, that it:

- (a) has not offered, and will not offer for issue or sale and has not invited, and will not invite applications, for issue, or offers to purchase, the Notes in Australia (including an offer or invitation which is received by a person in Australia); and
- (b) has not distributed or published, and will not distribute or publish, any draft, preliminary or definitive information memorandum, advertisement or other offering material relating to the Notes in Australia, unless:
  - (i) the aggregate consideration payable by each offeree or invitee is at least A\$500,000 (or its equivalent in other currencies, but disregarding moneys lent by the offeror or its associates) or the offer or invitation otherwise does not require disclosure to the investors in accordance with Part 6D.2 or Chapter 7 of the Australian Corporations Act;
  - (ii) the offer does not constitute an offer to a “retail client” for the purposes of Section 761 G of the Australian Corporations Act;
  - (iii) such action complies with all applicable laws, regulations and directives; and
  - (iv) such action does not require any document to be lodged with ASIC or ASX Limited.

In addition, in the event that the Sydney branch of OCBC Bank or a Specified Issuer that is a resident of Australia (and not issuing the Notes through a branch outside of Australia) (each an “**Australian Issuer**”) issues the Notes (the “**Australian Notes**”), the relevant Dealer has represented, warranted and agreed that it will:

- (a) use reasonable endeavors to assist the Australian Issuer in ensuring that the Australian Notes are offered for sale in a manner which will allow payments of interest (as defined in Section 128A(1AB) of the Income Tax Assessment Act of 1936 of Australia (the “**Australian Tax Act**”)) on the Australian Notes to be exempt from Australian interest withholding tax under Section 128F of the Australian Tax Act and, in particular, will, within 30 days of any Australian Note being issued to it offer that Australian Note:
  - (i) to at least 10 persons, each of whom the employees of the Dealer involved in the sale do not know or suspect to be an “associate” (as defined in Section 128F(9) of the Australian Tax Act) of any of the other offerees, and each of whom carries on a business of providing finance, or investing or dealing in securities in the course of operating in financial markets; or
  - (ii) as a result of negotiations being initiated publicly in electronic form, or another form, that is used in financial markets for dealing in debentures which are similar to the Australian Notes;

- (b) provide such information:
  - (i) which is specified in any additional documentation negotiated and agreed in relation to a specific issue of the Australian Notes; or
  - (ii) which the Dealer is reasonably able to provide to enable the Australian Issuer to demonstrate the manner in which the Australian Notes were issued; and
- (c) otherwise provide, so far as it is reasonably able to do so, any other information relating to the issuance and distribution of the Australian Notes as may reasonably be required by the Australian Issuer in order to establish that payments of interest are exempt from withholding tax under Section 128F of the Australian Tax Act,

provided that in no circumstances shall the Dealer be obligated to disclose (1) the identity of any offeree or purchaser of any Australian Note or any information from which such identity would be capable of being ascertained, or (2) any information, the disclosure of which would be contrary to, or prohibited by, any relevant law, regulation or directive or confidentiality agreement or undertaking binding on the Dealer.

In addition, the Dealer has agreed that, in connection with the primary distribution of the Australian Notes, it will not sell the Australian Notes to any person if, at the time of such sale, the employees of the Dealer involved in the sale knew or had reasonable grounds to suspect that, as a result of such sale, any Australian Note or an interest in any Australian Note was being, or would later be, acquired (directly or indirectly) by an Offshore Associate of the Australian Issuer (other than an Offshore Associate acting in the capacity of a dealer, manager or underwriter in relation to the placement of those Australian Notes or a clearing house, custodian, funds manager or responsible entity of a registered scheme within the meaning of the Australian Corporations Act). For the avoidance of doubt, if any employee of the Dealer making the offer, effecting the sale or otherwise directly involved in the sale of the Australian Notes, does not know, or does not have reasonable grounds to suspect, that a person is an Offshore Associate of the Australian Issuer, nothing in the above obliges that Dealer to make positive enquiries of that person to confirm that person is not an Offshore Associate of the Australian Issuer.

**“Offshore Associate”** means an **“associate”** (as defined in Section 128F(9) of the Australian Tax Act) that is either:

- (a) a non-resident of Australia that does not acquire the Australian Notes in carrying on a business at or through a permanent establishment in Australia; or
- (b) a resident of Australia that acquires the Australian Notes in carrying on a business at or through a permanent establishment outside Australia.

### ***Hong Kong***

In relation to each Tranche of Notes issued by the Issuer, each Dealer has represented, warranted and agreed, and each further Dealer appointed under the Program will represent, warrant and agree, that:

- (a) it has not offered or sold and will not offer or sell in Hong Kong, by means of any document, any Notes (except for Notes which are a “structured product” as defined in the Securities and Futures Ordinance (Cap. 571) of Hong Kong (the **“SFO”**) other than (a) to “professional investors” as defined in the SFO and any rules made under the SFO; or (b) in other circumstances which do not result in the document being a “prospectus” as defined in the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Cap. 32) of Hong Kong (the **“C(WUMP)O”**) or which do not constitute an offer to the public within the meaning of the C(WUMP)O; and

- (b) it has not issued or had in its possession for the purposes of issue, and will not issue or have in its possession for the purposes of issue, whether in Hong Kong or elsewhere, any advertisement, invitation or document relating to the Notes, which is directed at, or the contents of which are likely to be accessed or read by, the public of Hong Kong (except if permitted to do so under the securities laws of Hong Kong) other than with respect to Notes which are or are intended to be disposed of only to persons outside Hong Kong or only to “professional investors” as defined in the SFO and any rules made under the SFO.

### **General**

Other than with respect to the admission of the Notes to listing, trading and/or quotation by the relevant listing authorities, stock exchanges and/or quotation systems, no action has been or will be taken in any jurisdiction by the Issuer or the Dealers that would permit a public offering of Notes, or possession or distribution of any offering material in relation thereto, in any jurisdiction where action for that purpose is required. Persons into whose hands this Offering Memorandum or any Pricing Supplement comes are required by the Issuer and the Dealers to comply with all applicable laws and regulations in each jurisdiction in or from which they purchase, offer, sell or deliver Notes or have in their possession or distribute such offering material, in all cases at their own expense.

None of the Issuer, the Trustee or any of the Dealers represents that Notes may at any time lawfully be sold in compliance with any applicable registration or other requirements in any jurisdiction, or pursuant to any exemption available thereunder, or assumes any responsibility for facilitating any such sale. With regard to each Tranche, the relevant Dealer will be required to comply with any additional restrictions agreed between the Issuer and the relevant Dealer and set out in the applicable Pricing Supplement.

## FORM OF PRICING SUPPLEMENT RELATING TO NOTES OTHER THAN PERPETUAL CAPITAL SECURITIES

The form of Pricing Supplement that will be issued in respect of each Tranche of Notes other than Perpetual Capital Securities, subject only to the deletion of non-applicable provisions, is set out below.

Pricing Supplement dated [●]

**[OVERSEA-CHINESE BANKING CORPORATION LIMITED,  
acting through its [registered office/[●] branch]\*/SPECIFIED ISSUER]**

Issue of [Aggregate Nominal Amount of Tranche] [Title of Notes]  
under the Oversea-Chinese Banking Corporation Limited

**U.S.\$30,000,000,000 Global Medium Term Note Program**

This document constitutes the Pricing Supplement relating to the issue of Notes described herein.

Terms used herein shall be deemed to be defined as such for the purposes of the Terms and Conditions of the Notes other than the Perpetual Capital Securities (the “**Conditions**”) set forth in the Offering Memorandum dated August 31, 2020 [and the supplemental Offering Memorandum dated [●]]. This Pricing Supplement contains the final terms of the Notes and must be read in conjunction with such Offering Memorandum [as so supplemented].

[The following alternative language applies if the first tranche of an issue which is being increased was issued under an Offering Memorandum with an earlier date.

Terms used herein shall be deemed to be defined as such for the purposes of the Terms and Conditions of the Notes other than the Perpetual Capital Securities (the “**Conditions**”) set forth in the Offering Memorandum dated August 31, 2020. This Pricing Supplement contains the final terms of the Notes and must be read in conjunction with the Offering Memorandum dated August 31, 2020 [and the supplemental Offering Memorandum dated [●]], save in respect of the Conditions which are extracted from the Offering Memorandum dated August 31, 2020 and are attached hereto.]

[The following language applies if any tranche of the Notes is intended to be “qualifying debt securities” (as defined in the Income Tax Act, Chapter 134 of Singapore).

Where interest, discount income, prepayment fee, redemption premium or break cost is derived from any of the Notes or coupons (if applicable) by any person who is not resident in Singapore and who carries on any operations in Singapore through a permanent establishment in Singapore, the tax exemption available for qualifying debt securities (subject to certain conditions) under the Income Tax Act, Chapter 134 of Singapore (the “**Income Tax Act**”), shall not apply if such person acquires such Notes or coupons (if applicable) using the funds and profits of such person’s operations through a permanent establishment in Singapore. Any person whose interest, discount income, prepayment fee, redemption premium or break cost derived from the Notes or coupons (if applicable) is not exempt from tax (including for the reasons described above) shall include such income in a return of income made under the Income Tax Act.]

[Insert the following language for an issue of AMTNs



The Notes will be constituted by a deed poll ("**Note (AMTN) Deed Poll**") dated July 5, 2011 executed by the Issuer and will be issued in certificated registered form by inscription on a register. The Notes are AMTNs for the purposes of the Offering Memorandum dated August 31, 2020 and the Conditions.

Notes will be offered in Australia only in the wholesale capital markets and on the basis that no disclosure to investors is required under Part 6D.2 or Chapter 7 of the Corporations Act 2001 of Australia.]

**[MIFID II PRODUCT GOVERNANCE/PROFESSIONAL INVESTORS AND ECPS ONLY TARGET MARKET** – Solely for the purposes of [the/each] manufacturer’s product approval process, the target market assessment in respect of the Notes has led to the conclusion that: (i) the target market for the Notes is eligible counterparties and professional clients only, each as defined in Directive 2014/65/EU (as amended, "**MiFID II**"); and (ii) all channels for distribution of the Notes to eligible counterparties and professional clients are appropriate. Any person subsequently offering, selling or recommending the Notes (a "**distributor**") should take into consideration the manufacturer[’s/s’] target market assessment; however, a distributor subject to MiFID II is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the manufacturer[’s/s’] target market assessment) and determining appropriate distribution channels.]

**[PRIIPs REGULATION – PROHIBITION OF SALES TO EEA AND UK RETAIL INVESTORS** – The Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the European Economic Area ("**EEA**") or in the United Kingdom (the "**UK**"). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU (as amended, "**MiFID II**"); or (ii) a customer within the meaning of Directive (EU) 2016/97 (the "**Insurance Distribution Directive**"), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II. Consequently, no key information document required by Regulation (EU) No 1286/2014 (as amended, the "**PRIIPs Regulation**") for offering or selling the Notes or otherwise making them available to retail investors in the EEA or in the UK has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the EEA or in the UK may be unlawful under the PRIIPs Regulation.]

**SINGAPORE SFA PRODUCT CLASSIFICATION** – In connection with Section 309B of the Securities and Futures Act (Chapter 289) of Singapore, as modified or amended from time to time (the "**SFA**") and the Securities and Futures (Capital Markets Products) Regulations 2018 of Singapore (the "**CMP Regulations 2018**"), the Issuer has determined, and hereby notifies all relevant persons (as defined in Section 309A(1) of the SFA), that the Notes are [prescribed capital markets products]/[capital markets products other than prescribed capital markets products] (as defined in the CMP Regulations 2018) and [are] [Excluded]/[Specified] Investment Products (as defined in MAS Notice SFA 04-N12: Notice on the Sale of Investment Products and MAS Notice FAA-N16: Notice on Recommendation on Investment Products.<sup>1</sup>

[Pursuant to the Monetary Authority of Singapore Act, Chapter 186 of Singapore (the "**MAS Act**") and the Monetary Authority of Singapore (Resolution of Financial Institutions) Regulations 2018 (the "**MAS Regulations**"), the Subordinated Notes would be eligible instruments (as defined in the MAS Regulations). Accordingly, should a Bail-in Certificate (as defined in the MAS Act) be issued, Subordinated Notes may be subject to cancellation, modification, conversion and/or change in form, as set out in such Bail-in Certificate.]<sup>2</sup>

---

1 For any Notes to be offered to Singapore investors, the Issuer to consider whether it needs to re-classify the Notes pursuant to Section 309B of the SFA prior to the launch of the offer.

2 Only relevant for Subordinated Notes

[Include whichever of the following apply or specify as “Not Applicable” (N/A). Note that the numbering should remain as set out below, even if “Not Applicable” is indicated for individual paragraphs or sub-paragraphs. Italics denote directions for completing the Pricing Supplement.]

- |   |   |  |
|---|---|--|
| 1 | Issuer:   | [●]  |
| 2 | (i) Series Number:  | [●]  |
|   | (ii) Tranche Number:  | [●]  |
|   | [(If fungible with an existing Series, details of that Series, including the date on which the Notes become fungible).] |  |
| 3 | Specified Currency or Currencies:   | [●]  |
| 4 | Aggregate Principal Amount:   |  |
|   | (i) Series:   | [●]  |
|   | (ii) Tranche:   | [●]  |
| 5 | (i) Issue Price:  | [●]% of the Aggregate Principal Amount [plus accrued interest from [insert date]] (in the case of fungible issues only, if applicable)   |
|   | (ii) [Net proceeds:   | [●] (Required only for listed issues)]   |
| 6 | (i) Specified Denominations:  | [●] <sup>3</sup>   |
|   | (ii) Calculation Amount:  | [●]  |
| 7 | (i) Issue Date:   | [●]  |
|   | (ii) Interest Commencement Date:  | [specify a date/Issue Date/Not Applicable]   |
| 8 | Maturity Date:  | [specify date or (for Floating Rate Notes) Interest Payment Date falling in or nearest to the relevant month and year] <sup>4</sup>  |
| 9 | Interest Basis:   | [[●]% Fixed Rate]<br>[[specify reference rate] +/- [●]% Floating Rate]<br>[Zero Coupon]<br>[Index Linked Interest]<br>[Other (specify)]<br>(further particulars specified below) |

---

3 Notes (including Notes denominated in sterling) in respect of which the issue proceeds are to be accepted by the Issuer in the United Kingdom or whose issue otherwise constitutes a contravention of Section 19 of the FSMA and which have a maturity of less than one year must have a minimum redemption value of £100,000 (or its equivalent in other currencies). If the Specified Denomination is expressed to be €100,000 or its equivalent and multiples of a lower nominal amount (for example €1,000), insert the following: “€100,000 and integral multiples of [€1,000] in excess thereof up to and including [€199,000]. No notes in definitive form will be issued with a denomination above [€199,000]”. If the Notes are AMTNs, insert the following:

*“Subject to the requirement that the amount payable by each person who subscribed for the Notes must be at least A\$500,000 (disregarding moneys lent by the Issuer or its associates).”*

4 Note that for Renminbi or Hong Kong dollar denominated Fixed Rate Notes where the Interest Payment Dates are subject to modification it will be necessary to specify the Interest Payment Date falling in or nearest to the relevant month and year.

- 10 Redemption/Payment Basis: [Redemption at par]  
[Index Linked Redemption]  
[Credit Linked Redemption]  
[Equity Linked Redemption]  
[Bond Linked Redemption]  
[Dual Currency]  
[Partly Paid]  
[Installment]  
[Other (specify)]
- 11 Change of Interest or Redemption/  
Payment Basis: [Specify details of any provision for convertibility of  
Notes into another interest or redemption/payment  
basis]
- 12 Put/Call Options: [Investor Put]  
[Issuer Call]  
[(further particulars specified below)]
- 13 Listing: [SGX-ST/Other (specify)/None]
- 14 Status of Notes: [Senior/Subordinated]
- 15 Method of distribution: [Syndicated/Non-syndicated]

**PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE**

- 16 Fixed Rate Note Provisions [Applicable/Not Applicable]  
(If not applicable, delete the remaining sub-  
paragraphs of this paragraph)
- (i) Rate[(s)] of Interest: [●]% per annum [payable  
[annually/semi-annually/quarterly/monthly] in  
arrear]
- (ii) Interest Payment Date(s): [●] in each year [adjusted in accordance with  
[specify Business Day Convention and any  
applicable Business Center(s) for the definition of  
“Business Day”]/not adjusted]
- (iii) Fixed Coupon Amount[(s)]: [●] per Calculation Amount<sup>5</sup>
- (iv) Broken Amount[(s)]: [●] per Calculation Amount, payable on the Interest  
Payment Date falling [in/on] [●]
- (v) Day Count Fraction  
(Condition 4(I)): [30/360/Actual/Actual (ICMA/ISDA)/other]
- (vi) Other terms relating to the  
method of calculating interest  
for Fixed Rate Notes: [Not Applicable/give details]
- 17 Floating Rate Provisions [Applicable/Not Applicable]  
(If not applicable, delete the remaining sub-  
paragraphs of this paragraph)
- (i) Interest Period(s): [●]
- (ii) Specified Interest Payment  
Dates: [●]

5 For Renminbi or Hong Kong dollar denominated Fixed Rate Notes where the Interest Payment Dates are subject to modification, the following alternative wording is appropriate: “Each Fixed Coupon Amount shall be calculated by multiplying the product of the Rate of Interest and the Calculation Amount by the Day Count Fraction and rounding the resultant figure, in the case of Renminbi denominated Fixed Rate Notes, to the nearest CNY0.01, CNY0.005 being rounded upwards or, in the case of Hong Kong dollar denominated Fixed Rate Notes, to the nearest HK\$0.01, HK\$0.005 being rounded upwards.”

- (iii) Interest Period Date:  (Not applicable unless different than Interest Payment Date)
- (iv) Business Day Convention:  [Floating Rate Convention/Following Business Day Convention/Modified Following Business Day Convention/Preceding Business Day Convention/other (give details)]
- (v) Business Center(s) (Condition 4(l)):  
 (insert New York City for U.S. dollar denominated Notes to be held through DTC and for non-U.S. dollar denominated Notes where exchange into U.S. dollars is contemplated for DTC participants holding through Euroclear and Clearstream)
- (vi) Manner in which the Rate(s) of Interest is/are to be determined:  
 [Screen Rate Determination/ISDA Determination/other (give details)]
- (vii) Party responsible for calculating the Rate(s) of Interest and Interest Amount(s) (if not the [Calculation Agent]):
- (viii) Screen Rate Determination (Condition 4(b)(iii)(B)):  
 – Reference Bank:  
 – Reference Rate:  
 – Interest Determination Dates:  
 – Relevant Screen Page:  
 – Party responsible for calculation of Rate of Interest:  (*Specify where this is not the Calculation Agent*)  
 – Observation Period Business Days:  (*Specify where relevant for Screen Rate Determination where the Reference Rate is Compounded Daily SONIA*)
- (ix) ISDA Determination (Condition 4(b)(iii)(A)):  
 – Floating Rate Option:  
 – Designated Maturity:  
 – Reset Date:
- (x) Margin(s):  [+/-] % per annum
- (xi) Minimum Rate of Interest: % per annum
- (xii) Maximum Rate of Interest: % per annum
- (xiii) Day Count Fraction (Condition 4(l)):
- (xiv) Interest Determination Date(s) (Condition 4(l)):  in each year [insert regular interest payment dates, ignoring issue date or maturity date in the case of a long or short first or last coupon. N.B. only relevant where Day Count Fraction is Actual/Actual-ICMA.]

	(xv) Fall back provisions, rounding provisions, denominator and any other terms relating to the method of calculating interest on Floating Rate Notes, if different than those set out in the Conditions:	[Benchmark Discontinuation (General) (Condition 4(o)(i))/ Benchmark Discontinuation (ARRC) (Condition 4(o)(ii))/ Benchmark Discontinuation (SOR) (Condition 4(o)(iii))/ Benchmark Discontinuation (SORA) (Condition 4(o)(iv))/ <i>specify other if different from those set out in the Conditions</i> ]
	– Lookback/Suspension Period:	[Not Applicable]/[Specify where relevant for calculation of Compounded SOFR]
17A	Singapore Dollar Notes:	[Applicable/Not Applicable] (If not applicable, delete the remaining sub-paragraphs of this paragraph)
	(i) Floating Rate Notes (Condition 4(n)(ii)):	
	– Manner in which the Rate of Interest is to be determined:	[SIBOR Notes/Swap Rate Notes/SORA Notes/Variable Rate Notes/Other]
	– Calculation Amount:	[Specify]
	– Denomination Amount:	[Specify]
	– Interest Commencement Date:	[Specify date(s)]
	– Interest Payment Date:	[Specify date(s)]
	– Interest Period:	[Specify]
	– Interest Determination Date:	[[●] Business Days in [Singapore] prior to [specify date(s)]]
	– Relevant Time:	[11.00 a.m. (Singapore time)/Other]
	– Relevant Business Day:	[Specify]
	– Margin:	[Give details]
	– FRN Day Basis:	[Specify]
	(ii) SIBOR Notes (Condition 4(n)(ii)(B)(x)):	
	– Screen Page:	[Give details]
	– Reference Banks:	[Specify]
	(iii) Swap Rate Notes (Condition 4(n)(ii)(B)(y)):	
	– Discount/Premium:	[Specify]
	– Other terms or special conditions:	[Not applicable/give details]
	(iv) SORA Notes (Condition 4(n)(ii)(B)(z)):	
	– Lookback:	[Applicable/Not Applicable]
	– Backward Shifted Observation Period:	[Applicable/Not Applicable]

	– Observation Period Business Days:	[●] ( <i>Specify where relevant</i> )
(v)	Variable Rate Notes (Condition 4(n)(iii)):	
	– Interest Commencement Date:	[Specify date(s)]
	– Interest Payment Date:	[Specify date(s)]
	– Interest Period:	[Specify dates]
	– Relevant Dealer:	[Specify]
	– Other terms or special conditions:	[Not applicable/give details]
(vi)	Calculation Agent:	[Specify]
18	Zero Coupon Note Provisions	[Applicable/Not Applicable] (If not applicable, delete the remaining sub-paragraphs of this paragraph)
(i)	Amortization Yield (Condition 5(b)(i)(B)):	[●]% per annum
(ii)	Any other formula/basis of determining amount payable:	[●]
19	Credit Linked Note Provisions	[Applicable/Not Applicable] (If not applicable, delete the remaining sub-paragraphs of this paragraph)
(i)	Index/Formula:	[Give or annex details]
(ii)	Calculation Agent responsible for calculating the Rate of Interest and/or Interest Amount(s) (if not the [Calculation Agent]):	[●]
(iii)	Provisions for determining Coupon where calculation by reference to Index and/or Formula is impossible or impracticable:	[●]
(iv)	Determination Date(s):	[●]
(v)	Provisions for determining Coupon where calculation by reference to Index and/or Formula is impossible or impracticable or otherwise disrupted:	[●]
(vi)	Interest Period(s):	[●]
(vii)	Specified Interest Payment Dates:	[●]
(viii)	Business Day Convention:	[Floating Rate Convention/Following Business Day Convention/Modified Following Business Day Convention/Preceding Business Day Convention/other (give details)]

	(ix) Business Center(s) (Condition 4(l)(v)):	[●]
	(x) Minimum Rate of Interest:	[●]% per annum
	(xi) Maximum Rate of Interest:	[●]% per annum
	(xii) Day Count Fraction (Condition 4(l)):	[●]
20	Equity Linked Note Provisions	[Applicable/Not Applicable] (If not applicable, delete the remaining sub-paragraphs of this paragraph)
	(i) Index/Formula:	[Give or annex details]
	(ii) Calculation Agent responsible for calculating the Rate of Interest and/or Interest Amount(s) (if not the [Calculation Agent]):	[●]
	(iii) Provisions for determining Coupon where calculation by reference to Index and/or Formula is impossible or impracticable:	[●]
	(iv) Determination Date(s):	[●]
	(v) Provisions for determining Coupon where calculation by reference to Index and/or Formula is impossible or impracticable or otherwise disrupted:	[●]
	(vi) Interest Period(s):	[●]
	(vii) Specified Interest Payment Dates:	[●]
	(viii) Business Day Convention:	[Floating Rate Convention/Following Business Day Convention/Modified Following Business Day Convention/Preceding Business Day Convention/ other (give details)]
	(ix) Business Center(s) (Condition 4(l)):	[●]
	(x) Minimum Rate of Interest:	[●]% per annum
	(xi) Maximum Rate of Interest:	[●]% per annum
	(xii) Day Count Fraction (Condition 4(l)):	[●]
21	Bond Linked Note Provisions	[Applicable/Not Applicable] (If not applicable, delete the remaining sub-paragraphs of this paragraph)
	(i) Index/Formula:	[Give or annex details]

	(ii) Calculation Agent responsible for calculating the Rate of Interest and/or Interest Amount(s) (if not the [Calculation Agent]):	[●]
	(iii) Provisions for determining Coupon where calculation by reference to Index and/or Formula is impossible or impracticable:	[●]
	(iv) Determination Date(s):	[●]
	(v) Provisions for determining Coupon where calculation by reference to Index and/or Formula is impossible or impracticable or otherwise disrupted:	[●]
	(vi) Interest Period(s):	[●]
	(vii) Specified Interest Payment Dates:	[●]
	(viii) Business Day Convention:	[Floating Rate Convention/Following Business Day Convention/Modified Following Business Day Convention/Preceding Business Day Convention/other (give details)]
	(ix) Business Center(s) (Condition 4(l)):	[●]
	(x) Minimum Rate of Interest:	[●]% per annum
	(xi) Maximum Rate of Interest:	[●]% per annum
	(xii) Day Count Fraction (Condition 4(l)):	[●]
22	Index Linked Interest Note Provisions	[Applicable/Not Applicable] (If not applicable, delete the remaining sub-paragraphs of this paragraph)
	(i) Index/Formula:	[Give or annex details]
	(ii) Calculation Agent responsible for calculating the Rate of Interest and/or Interest Amount(s) (if not the [Calculation Agent]):	[●]
	(iii) Provisions for determining Coupon where calculation by reference to Index and/or Formula is impossible or impracticable:	[●]
	(iv) Determination Date(s):	[●]



- (v) Provisions for determining Coupon where calculation by reference to Index and/or Formula is impossible or impracticable or otherwise disrupted: [●]
  - (vi) Interest Period(s): [●]
  - (vii) Specified Interest Payment Dates: [●]
  - (viii) Business Day Convention: [Floating Rate Convention/Following Business Day Convention/Modified Following Business Day Convention/Preceding Business Day Convention/other (give details)]
  - (ix) Business Center(s) (Condition 4(l)): [●]
  - (x) Minimum Rate of Interest: [●]% per annum
  - (xi) Maximum Rate of Interest: [●]% per annum
  - (xii) Day Count Fraction (Condition 4(l)): [●]
- 23 Dual Currency Note Provisions [Applicable/Not Applicable] (If not applicable, delete the remaining sub-paragraphs of this paragraph)
- (i) Rate of Exchange/Method of calculating Rate of Exchange: [Give details]
  - (ii) Calculation Agent responsible for calculating the Rate(s) of Interest and Interest Amount(s) (if not the [Calculation Agent]): [●]
  - (iii) Provisions applicable where calculation by reference to Rate of Exchange impossible or impracticable: [●]
  - (iv) Person at whose option Specified Currency(ies) is/are payable: [●]

**PROVISIONS RELATING TO REDEMPTION**

- 24 Call Option [Applicable/Not Applicable] (If not applicable, delete the remaining sub-paragraphs of this paragraph)
- (i) Optional Redemption Date(s): [●] (in the case of Subordinated Notes, insert First Call Date and each Interest Payment Date after the First Call Date)
  - (ii) Optional Redemption Amount(s) of each Note and specified denomination method, if any, of calculation of such amount(s): [●] per Note of [●] specified denomination

	(iii) If redeemable in part:	
	(a) Minimum Redemption Amount:	[●] per Calculation Amount
	(b) Maximum Redemption Amount:	[●] per Calculation Amount
	(iv) Notice period:	[●]
25	Put Option	[Applicable/Not Applicable] (If not applicable, delete the remaining sub-paragraphs of this paragraph)
	(i) Optional Redemption Date(s):	[●]
	(ii) Optional Redemption Amount(s) of each Note and method, if any, of calculation of such amount(s):	[●] per Calculation Amount
	(iii) Notice period:	[●]
26	Variation instead of Redemption (Condition 5(h))	[Applicable/Not Applicable] (Only relevant for Subordinated Notes)
27	Final Redemption Amount of each Note	[●] per Calculation Amount
28	Early Redemption Amount	
	Early Redemption Amount(s) per Calculation Amount payable on redemption for taxation reasons (Condition 5(c)) or an event of default (Condition 10) and/or the method of calculating the same (if required or if different than that set out in the Conditions):	[●]

#### PROVISIONS RELATING TO LOSS ABSORPTION

29	Loss Absorption Option: Write-off on a Trigger Event (Condition 6(b)):	[Applicable/Not Applicable] (Only relevant for Subordinated Notes)
30	Loss Absorption Option: Conversion:	[Applicable – See Appendix/Not Applicable] (Only relevant for Subordinated Notes)

#### GENERAL PROVISIONS APPLICABLE TO THE NOTES

31	Form of Notes:	<b>[Bearer Notes:]</b> [Temporary Global Note exchangeable for a Permanent Global Note which is exchangeable for Definitive Notes/Certificates in the limited circumstances specified in the Permanent Global Note]  [Temporary Global Note exchangeable for Definitive Notes on [●] days' notice]  [Permanent Global Note exchangeable for Definitive Notes in the limited circumstances specified in the Permanent Global Note]
----	----------------	--

(N.B. The exchange upon notice/at any time options should not be expressed to be applicable if the Specified Denomination of the Notes in paragraph 5 includes language substantially to the following effect: “EUR100,000 and integral multiples of EUR1,000 in excess thereof up to and including EUR199,000”. In addition, the “limited circumstances specified in the Permanent Global Note” option may have to be amended to permit such Specified Denomination construction. Furthermore, such Specified Denomination construction is not permitted in relation to any issue of Notes which is to be represented on issue by a Temporary Global Note exchangeable for Definitive Notes.)

**[Registered Notes:]**

[Regulation S Global Note (U.S.\$€[●] nominal amount) registered in the name of a nominee for [DTC/a common depository for Euroclear and Clearstream]]

[Rule 144A Global Note (U.S.\$[●] nominal amount) registered in the name of a nominee for [DTC/a common depository for Euroclear and Clearstream]].

[If the Notes are AMTNs insert the following:

The Notes are AMTNs as referred to in the Offering Memorandum and will be issued in registered certificated form, constituted by the Note (AMTN) Deed Poll and take the form of entries on a register to be maintained by the Australian Agent (as defined below). Copies of the Note (AMTN) Deed Poll are available from the Australian Agent at its principal office in Sydney.]

32 Financial Center(s) (Condition 7(j)) or other special provisions relating to Payment Dates:

[Not Applicable/give details. Note that this paragraph relates to the date and place of payment, and not interest period end dates, to which items 16(ii), 17(v) and 19(ix) relate] (insert New York City for U.S. dollar denominated Notes to be held through DTC)

33 Talons for future Coupons or Receipts to be attached to Definitive Notes (and dates on which such Talons mature):

[Yes/No. If yes, give details]

- |    |   |  |
|----|---|--|
| 34 | Details relating to Partly Paid Notes: amount of each payment comprising the Issue Price and date on which each payment is to be made and consequences (if any) of failure to pay, including any right of the Issuer to forfeit the Notes and interest due on late payment: | [Not Applicable/give details]  |
| 35 | Details relating to Installment Notes: amount of each Installment, date on which each payment is to be made:  | [Not Applicable/give details]  |
| 36 | Redenomination, renominalization and reconventioning provisions:  | [Not Applicable/The provisions [in Condition [●]] apply]   |
| 37 | Consolidation provisions:   | [Not Applicable/The provisions [in Condition [●]] [annexed to this Pricing Supplement apply]]  |
| 38 | Other terms or special conditions:  | [Not Applicable/give details including, if any, conversion loss absorption option to be set out in the Appendix to the Pricing Supplement] |

**DISTRIBUTION**

- |    |  |  |
|----|--|--|
| 39 | (i) If syndicated, names of Managers:                                    | [Not Applicable/give names]  |
|    | (ii) Stabilization Manager (if any):                                     | [Not Applicable/give name]   |
| 40 | If non-syndicated, name of Dealer:                                       | [Not Applicable/give name]   |
| 41 | Whether TEFRA D or TEFRA C was applicable or TEFRA rules not applicable: | [TEFRA D/TEFRA C/TEFRA not applicable] (TEFRA not applicable for Bearer Notes with a maturity of one year or less or Registered Notes) (Where TEFRA D is applicable, a Bearer Note must be issued in the form of a Temporary Note exchangeable upon a U.S. tax certification for a Permanent Global Note or a Definitive Note) |
| 42 | Additional selling restrictions:   | [Not Applicable/give details]  |

**OPERATIONAL INFORMATION**

- |    |                                |  |
|----|--------------------------------|--|
| 43 | ISIN Code:                     | [●]  |
| 44 | Common Code:                   | [●]  |
| 45 | CUSIP:                         | [●]  |
| 46 | CMU Instrument Number:         | [●]  |
| 47 | Legal Entity Identifier (LEI): | [In the case of Oversea-Chinese Banking Corporation Limited, acting through its registered office in Singapore: 5493007O3QFXCPOGWK22] [in the case of Oversea-Chinese Banking Corporation Limited, acting through its registered office in Sydney, Australia: [●]] [insert any other relevant LEI] |

- 48 Any clearing system(s) other than CDP, the CMU, Austraclear, Euroclear and Clearstream and/or DTC and the relevant identification number(s): [Not Applicable/give name(s) and number(s)]
- 49 Delivery: Delivery [against/free of] payment
- 50 Additional Paying Agent(s) (if any): [●]  
 [If the Notes are AMTNs, insert the following: BTA Institutional Services Australia Limited (ABN 48 002 916 396) has been appointed under the Agency and Registry Services Agreement dated July 5, 2011 as issuing and paying agent and registrar (“**Australian Agent**”) in respect of the Notes. The Australian Agent’s address is Level 2, 1 Bligh Street, Sydney NSW 2000, Australia]
- 51 The Agents appointed in respect of the Notes are: [●]

**GENERAL INFORMATION**

- 52 The aggregate principal amount of Senior Notes issued has been translated into U.S. dollars at the rate of [●], producing a sum of Senior Notes not denominated in U.S. dollars: [Not Applicable/U.S.\$[●]]
- 53 Governing law of Notes: [English[, save that the provisions of the subordination, set-off and payment void, default and enforcement Conditions in Condition 3(b), Condition 3(c), Condition 3(d), Condition 10(b)(ii) and Condition 10(b)(iii) are governed by, and shall be construed in accordance with, Singapore law]/ Singapore/New South Wales, Australia]

**[PURPOSE OF PRICING SUPPLEMENT**

This Pricing Supplement comprises the final terms required for the issue and admission to trading on the [specify relevant stock exchange/market] of the Notes described herein pursuant to the U.S.\$30,000,000,000 Global Medium Term Note Program of Oversea-Chinese Banking Corporation Limited.]

**RESPONSIBILITY**

The Issuer accepts responsibility for the information contained in this Pricing Supplement.

Signed on behalf of the Issuer:

By: \_\_\_\_\_  
Duly authorized

[By: \_\_\_\_\_  
Duly authorized]\*

[\*Two signatories required where the Issuer is Oversea-Chinese Banking Corporation Limited.]

## FORM OF PRICING SUPPLEMENT RELATING TO PERPETUAL CAPITAL SECURITIES

The form of Pricing Supplement that will be issued in respect of each Tranche of Perpetual Capital Securities, subject only to the deletion of non-applicable provisions, is set out below.

Pricing Supplement dated [●]

### OVERSEA-CHINESE BANKING CORPORATION LIMITED

Issue of [Aggregate Nominal Amount of Tranche] [Title of Perpetual Capital Securities]  
under the Oversea-Chinese Banking Corporation Limited

### U.S.\$30,000,000,000 Global Medium Term Note Program

This document constitutes the Pricing Supplement relating to the issue of Perpetual Capital Securities described herein.

Terms used herein shall be deemed to be defined as such for the purposes of the Terms and Conditions of the Perpetual Capital Securities (the “**Conditions**”) set forth in the Offering Memorandum dated August 31, 2020 [and the supplemental Offering Memorandum dated [●]]. This Pricing Supplement contains the final terms of the Perpetual Capital Securities and must be read in conjunction with such Offering Memorandum [as so supplemented].

[The following alternative language applies if the first tranche of an issue which is being increased was issued under an Offering Memorandum with an earlier date.

Terms used herein shall be deemed to be defined as such for the purposes of the Terms and Conditions of the Perpetual Capital Securities (the “**Conditions**”) set forth in the Offering Memorandum dated August 31, 2020. This Pricing Supplement contains the final terms of the Perpetual Capital Securities and must be read in conjunction with the Offering Memorandum dated August 31, 2020 [and the supplemental Offering Memorandum dated [●]], save in respect of the Conditions which are extracted from the Offering Memorandum dated August 31, 2020 and are attached hereto.]

[The following language applies if any tranche of the Perpetual Capital Securities is intended to be “qualifying debt securities” (as defined in the Income Tax Act, Chapter 134 of Singapore).

Where interest, discount income, prepayment fee, redemption premium or break cost is derived from any of the Perpetual Capital Securities or coupons (if applicable) by any person who is not resident in Singapore and who carries on any operations in Singapore through a permanent establishment in Singapore, the tax exemption available for qualifying debt securities (subject to certain conditions) under the Income Tax Act, Chapter 134 of Singapore (the “**Income Tax Act**”), shall not apply if such person acquires such Perpetual Capital Securities or coupons (if applicable) using the funds and profits of such person’s operations through a permanent establishment in Singapore. Any person whose interest, discount income, prepayment fee, redemption premium or break cost derived from the Perpetual Capital Securities or coupons (if applicable) is not exempt from tax (including for the reasons described above) shall include such income in a return of income made under the Income Tax Act.]

**[MIFID II PRODUCT GOVERNANCE/PROFESSIONAL INVESTORS AND ECPS ONLY TARGET MARKET** – Solely for the purposes of [the/each] manufacturer’s product approval process, the target market assessment in respect of the Perpetual Capital Securities has led to the conclusion that: (i) the target market for the Perpetual Capital Securities is eligible counterparties and professional clients only, each as defined in Directive 2014/65/EU (as amended, “**MiFID II**”); and (ii) all channels for distribution of the Perpetual Capital Securities to eligible counterparties and

professional clients are appropriate. Any person subsequently offering, selling or recommending the Perpetual Capital Securities (a “**distributor**”) should take into consideration the manufacturer[’s/s’] target market assessment; however, a distributor subject to MiFID II is responsible for undertaking its own target market assessment in respect of the Perpetual Capital Securities (by either adopting or refining the manufacturer[’s/s’] target market assessment) and determining appropriate distribution channels.]

**[PRIIPs REGULATION – PROHIBITION OF SALES TO EEA AND UK RETAIL INVESTORS** – The Perpetual Capital Securities are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the European Economic Area (“**EEA**”) or in the United Kingdom (the “**UK**”). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU (as amended, “**MiFID II**”); or (ii) a customer within the meaning of Directive (EU) 2016/97 (the “**Insurance Distribution Directive**”), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II. Consequently, no key information document required by Regulation (EU) No 1286/2014 (as amended, the “**PRIIPs Regulation**”) for offering or selling the Perpetual Capital Securities or otherwise making them available to retail investors in the EEA or in the UK has been prepared and therefore offering or selling the Perpetual Capital Securities or otherwise making them available to any retail investor in the EEA or in the UK may be unlawful under the PRIIPs Regulation.]

**SINGAPORE SFA PRODUCT CLASSIFICATION** – In connection with Section 309B of the Securities and Futures Act (Chapter 289) of Singapore, as modified or amended from time to time (the “**SFA**”) and the Securities and Futures (Capital Markets Products) Regulations 2018 of Singapore (the “**CMP Regulations 2018**”), the Issuer has determined, and hereby notifies all relevant persons (as defined in Section 309A(1) of the SFA), that the Perpetual Capital Securities are [prescribed capital markets products]/[capital markets products other than prescribed capital markets products] (as defined in the CMP Regulations 2018) and [are] [Excluded]/[Specified] Investment Products (as defined in MAS Notice SFA 04-N12: Notice on the Sale of Investment Products and MAS Notice FAA-N16: Notice on Recommendation on Investment Products).<sup>1</sup>

Pursuant to the Monetary Authority of Singapore Act, Chapter 186 of Singapore (the “**MAS Act**”) and the Monetary Authority of Singapore (Resolution of Financial Institutions) Regulations 2018 (the “**MAS Regulations**”), the Perpetual Capital Securities would be eligible instruments (as defined in the MAS Regulations). Accordingly, should a Bail-in Certificate (as defined in the MAS Act) be issued, Perpetual Capital Securities may be subject to cancellation, modification, conversion and/or change in form, as set out in such Bail-in Certificate.

[Include whichever of the following apply or specify as “Not Applicable” (N/A). Note that the numbering should remain as set out below, even if “Not Applicable” is indicated for individual paragraphs or sub-paragraphs. Italics denote directions for completing the Pricing Supplement.]

- 1 Issuer: Oversea-Chinese Banking Corporation Limited
  - 2 (i) Series Number: [●]
  - (ii) Tranche Number: [●]
- [(If fungible with an existing Series, details of that Series, including the date on which the Perpetual Capital Securities become fungible).]

---

1 For any Notes to be offered to Singapore investors, the Issuer to consider whether it needs to re-classify the Perpetual Capital Securities pursuant to Section 309B of the SFA prior to the launch of the offer.



3	Specified Currency or Currencies:	[●]
4	Aggregate Principal Amount:	
	(i) Series:	[●]
	(ii) Tranche:	[●]
5	(iii) Issue Price:	[●]% of the Aggregate Principal Amount [plus accrued Distributions from [insert date]] (in the case of fungible issues only, if applicable)
	(iv) [Net proceeds:	[●] (Required only for listed issues)]
6	(v) Specified Denominations:	[●] <sup>2</sup>
	(vi) Calculation Amount:	[●]
7	(vii) Issue Date:	[●]
	(viii) Distribution Commencement Date:	[specify a date/Issue Date/Not Applicable]
8	Maturity Date:	[specify date or (for Floating Rate Perpetual Capital Security) Distribution Payment Date falling in or nearest to the relevant month and year] <sup>3</sup>
9	Distribution Basis:	[[●]% Fixed Rate] [[specify reference rate] +/- [●]% Floating Rate] (further particulars specified below)
10	Redemption/Payment Basis:	[Redemption at par] [Other (specify)]
11	Change of Distribution or Redemption/Payment Basis:	[Specify details of any provision for convertibility of Distribution into another Distribution or redemption/ payment basis]
12	Call Options:	[Issuer Call] [(further particulars specified below)]
13	Listing:	[SGX-ST/Other (specify)/None]
14	Status of Perpetual Capital Securities:	Subordinated
15	Method of distribution:	[Syndicated/Non-syndicated]

---

2 Perpetual Capital Securities (including Perpetual Capital Securities denominated in sterling) in respect of which the issue proceeds are to be accepted by the Issuer in the United Kingdom or whose issue otherwise constitutes a contravention of Section 19 of the FSMA and which have a maturity of less than one year must have a minimum redemption value of £100,000 (or its equivalent in other currencies). If the Specified Denomination is expressed to be €100,000 or its equivalent and multiples of a lower nominal amount (for example €1,000), insert the following: “€100,000 and integral multiples of [€1,000] in excess thereof up to and including [€199,000]. No Perpetual Capital Securities in definitive form will be issued with a denomination above [€199,000]”.

3 Note that for Renminbi or Hong Kong dollar denominated Fixed Rate Perpetual Capital Securities where the Distribution Payment Dates are subject to modification it will be necessary to specify the Distribution Payment Date falling in or nearest to the relevant month and year.

## PROVISIONS RELATING TO DISTRIBUTION (IF ANY) PAYABLE

16	Fixed Rate Perpetual Capital Security Provisions	[Applicable/Not Applicable] (If not applicable, delete the remaining sub-paragraphs of this paragraph)
	(i) Rate[(s)] of Distribution:	[●]% per annum [payable [annually/semi-annually/quarterly/monthly] in arrear]
	(a) Reset	[Applicable/Not Applicable]
	(A) First Reset Date	[●]
	(B) Reset Date(s)	The First Reset Date and each date falling every [●] after the First Reset Date
	(C) Relevant Rate	[●]
	(D) Initial Spread	[●]
	(b) Initial Distribution Rate:	[●]% per annum [payable [annually/semi-annually/quarterly/monthly] in arrear]
	(ii) Distribution Period(s):	[●]
	(iii) Distribution Payment Date(s):	[●] in each year [adjusted in accordance with [specify Business Day Convention and any applicable Business Center(s) for the definition of "Business Day"]/not adjusted]
	(iv) Fixed Distribution Amount[(s)]:	[●] per Calculation Amount <sup>4</sup>
	(v) Broken Amount[(s)]:	[●] per Calculation Amount, payable on the Interest Payment Date falling [in/on][●]
	(vi) Day Count Fraction (Condition 4(i)):	[30/360/Actual/Actual (ICMA/ISDA)/other]
	(vii) Other terms relating to the method of calculating interest for Fixed Rate Perpetual Capital Securities:	[Not Applicable/give details]
17	Floating Rate Provisions	[Applicable/Not Applicable] (If not applicable, delete the remaining sub-paragraphs of this paragraph)
	(i) Distribution Period(s):	[●]
	(ii) Specified Distribution Payment Dates:	[●]
	(iii) Distribution Period Date:	[●] (Not applicable unless different than Distribution Payment Date)
	(iv) Business Day Convention:	[Floating Rate Convention/Following Business Day Convention/Modified Following Business Day Convention/Preceding Business Day Convention/other (give details)]

---

4 For Renminbi or Hong Kong dollar denominated Fixed Rate Perpetual Capital Securities where the Distribution Payment Dates are subject to modification, the following alternative wording is appropriate: "Each Fixed Coupon Amount shall be calculated by multiplying the product of the Rate of Distribution and the Calculation Amount by the Day Count Fraction and rounding the resultant figure, in the case of Renminbi denominated Fixed Rate Perpetual Capital Securities, to the nearest CNY0.01, CNY0.005 being rounded upwards or, in the case of Hong Kong dollar denominated Fixed Rate Perpetual Capital Securities, to the nearest HK\$0.01, HK\$0.005 being rounded upwards."

- (v) Business Center(s) (Condition 4(i)): (insert New York City for U.S. dollar denominated Perpetual Capital Securities to be held through DTC and for non-U.S. dollar denominated Perpetual Capital Securities where exchange into U.S. dollars is contemplated for DTC participants holding through Euroclear and Clearstream)
- (vi) Manner in which the Rate(s) of Distribution is/are to be determined: [Screen Rate Determination/ISDA Determination/other (give details)]
- (vii) Party responsible for calculating the Rate(s) of Distribution and Distribution Amount(s) (if not the [Calculation Agent]): [●]
- (viii) Screen Rate Determination (Condition 4(b)(iii)(B)):
- Reference Bank: [●]
  - Reference Rate: [●]
  - Distribution Determination Dates: [●]
  - Relevant Screen Page: [●]
  - Party responsible for calculation of Rate of Interest: [●] (*Specify where this is not the Calculation Agent*)
  - Observation Period Business Days: [●] (*Specify where relevant for Screen Rate Determination where the Reference Rate is Compounded Daily SONIA*)
- (ix) ISDA Determination (Condition 4(b)(iii)(A)):
- Floating Rate Option: [●]
  - Designated Maturity: [●]
  - Reset Date: [●]
- (x) Margin(s): [+/-] [●]% per annum
- (xi) Minimum Rate of Distribution: [●]% per annum
- (xii) Maximum Rate of Distribution: [●]% per annum
- (xiii) Day Count Fraction (Condition 4(i)): [●]
- (xiv) Distribution Determination Date(s) (Condition 4(a)): [●] in each year [Insert regular interest payment dates, ignoring issue date or maturity date in the case of a long or short first or last coupon. N.B. only relevant where Day Count Fraction is Actual/Actual-ICMA.]

	(xv) Fall back provisions, rounding provisions, denominator and any other terms relating to the method of calculating interest on Floating Rate Perpetual Capital Securities, if different than those set out in the Conditions:	[Benchmark Discontinuation (General) (Condition 4(l)(i))/Benchmark Discontinuation (ARRC) (Condition 4(l)(ii))/Benchmark Discontinuation (SOR) (Condition 4(l)(iii))/Benchmark Discontinuation (SORA) (Condition 4(l)(iv))/specify other if different from those set out in the Conditions]
	– Lookback/Suspension Period	[Not Applicable]/[Specify where relevant for calculation of Compounded SOFR]
17A	Singapore Dollar Perpetual Capital Securities:	[Applicable/Not Applicable] (If not applicable, delete the remaining sub-paragraphs of this paragraph)
	(i) Floating Rate Perpetual Capital Securities (Condition 4(b)):	
	– Manner in which the Rate of Interest is to be determined:	[SIBOR Perpetual Capital Securities/Swap Rate Perpetual Capital Securities/SORA Perpetual Capital Securities/Other]
	– Calculation Amount:	[Specify]
	– Denomination Amount:	[Specify]
	– Distribution Commencement Date:	[Specify date(s)]
	– Distribution Payment Date:	[Specify date(s)]
	– Distribution Period:	[Specify]
	– Distribution Determination Date:	[[ <input checked="" type="checkbox"/> ] Business Days in [Singapore] prior to [specify date(s)]]
	– Relevant Time:	[11.00 a.m. (Singapore time)/Other]
	– Relevant Business Day:	[Specify]
	– Margin:	[Give details]
	– FRN Day Basis:	[Specify]
	(ii) SIBOR Perpetual Capital Securities (Condition 4(k)(ii)(B)(x)):	
	– Screen Page:	[Give details]
	– Reference Banks:	[Specify]
	(iii) Swap Rate Perpetual Capital Securities (Condition 4(k)(ii)(B)(y)):	
	– Discount/Premium:	[Specify]
	– Other terms or special conditions:	[Not applicable/give details]
	(iv) SORA Perpetual Capital Securities (Condition 4(k)(ii)(B)(z)):	
	– Lookback:	[Applicable/Not Applicable]

- Backward Shifted Observation Period: [Applicable/Not Applicable]
- Observation Period Business Days: [●] (*Specify where relevant*)
- (v) Calculation Agent: [Specify]

**PROVISIONS RELATING TO REDEMPTION**

- 18 Call Option [Applicable/Not Applicable] (If not applicable, delete the remaining sub-paragraphs of this paragraph)
- (i) Optional Redemption Date(s): [●] (insert First Call Date and each Interest Payment Date after the First Call Date)
  - (ii) Optional Redemption Amount(s) of each Perpetual Capital Security and specified denomination method, if any, of calculation of such amount(s): [●] per Perpetual Capital Security of [●] specified denomination
  - (iii) If redeemable in part:
    - (a) Minimum Redemption Amount: [●] per Calculation Amount
    - (b) Maximum Redemption Amount: [●] per Calculation Amount
  - (iv) Notice period: [●]
- 19 Variation instead of Redemption (Condition 6(f)) [Applicable/Not Applicable]
- 20 Final Redemption Amount of each Perpetual Capital Security [●] per Calculation Amount
- 21 Early Redemption Amount  
Early Redemption Amount(s) per Calculation Amount payable on redemption for taxation reasons (Condition 6(c)) and/or the method of calculating the same (if required or if different than that set out in the Conditions): [●]

**PROVISIONS RELATING TO LOSS ABSORPTION**

- 22 Loss Absorption Option: Write-off on a Trigger Event (Condition 7(b)): [Applicable/Not Applicable]
- 23 Loss Absorption Option: Conversion: [Applicable – See Appendix/Not Applicable]

## GENERAL PROVISIONS APPLICABLE TO THE PERPETUAL CAPITAL SECURITIES

- 24 Form of Perpetual Capital Securities: [Regulation S Global Certificate (U.S./€[●] nominal amount) registered in the name of a nominee for [DTC/a common depository for Euroclear and Clearstream]]  
[Rule 144A Global Certificate (U.S.\$[●] nominal amount) registered in the name of a nominee for [DTC/a common depository for Euroclear and Clearstream]]
- 25 Financial Center(s) (Condition 8(f)) or other special provisions relating to Payment Dates: [Not Applicable/give details. Note that this paragraph relates to the date and place of payment, and not Distribution period end dates, to which items 16(iii) and 17(v) relate] (insert New York City for U.S. dollar denominated Notes to be held through DTC)]
- 26 Other terms or special conditions: [Not Applicable/give details including, if any, conversion loss absorption option to be set out in the Appendix to the Pricing Supplement]

## DISTRIBUTION

- 27 (i) If syndicated, names of Managers: [Not Applicable/give names]
- (ii) Stabilization Manager (if any): [Not Applicable/give name]
- 28 If non-syndicated, name of Dealer: [Not Applicable/give name]
- 29 Whether TEFRA D or TEFRA C was applicable or TEFRA rules not applicable: TEFRA not applicable
- 30 Additional selling restrictions: [Not Applicable/give details]

## OPERATIONAL INFORMATION

- 31 ISIN Code: [●]
- 32 Common Code: [●]
- 33 CUSIP: [●]
- 34 CMU Instrument Number: [●]
- 35 Legal Entity Identifier (LEI) [in the case of Oversea-Chinese Banking Corporation Limited, acting through its registered office in Singapore: 5493007O3QFXCPOGWK22] [insert any other relevant LEI]
- 36 Any clearing system(s) other than CDP, the CMU, Euroclear and Clearstream and/or DTC and the relevant identification number(s): [Not Applicable/give name(s) and number(s)]
- 37 Delivery: Delivery [against/free of] payment
- 38 Additional Paying Agent(s) (if any): [●]
- 39 The Agents appointed in respect of the Perpetual Capital Securities are: [●]

**GENERAL INFORMATION**

- 40 The aggregate principal amount of Perpetual Capital Securities issued has been translated into U.S. dollars at the rate of [●], producing a sum of Perpetual Capital Securities not denominated in U.S. dollars: [Not Applicable/U.S.\$[●]]
  
- 41 Governing law of Perpetual Capital Securities: [English[, save that the provisions of the subordination, set-off and payment void, default and enforcement Conditions in Condition 3(a), Condition 3(b), Condition 3(c), Condition 11(b) and Condition 11(c) are governed by, and shall be construed in accordance with, Singapore law]/Singapore]

**[PURPOSE OF PRICING SUPPLEMENT**

This Pricing Supplement comprises the final terms required for the issue and admission to trading on the [specify relevant stock exchange/market] of the Perpetual Capital Securities described herein pursuant to the U.S.\$30,000,000,000 Global Medium Term Note Program of Oversea-Chinese Banking Corporation Limited.]

**RESPONSIBILITY**

The Issuer accepts responsibility for the information contained in this Pricing Supplement.

Signed on behalf of the Issuer:

By: \_\_\_\_\_  
Duly authorized

[By: \_\_\_\_\_  
Duly authorized]\*

[\* Two signatories required where the Issuer is Oversea-Chinese Banking Corporation Limited.]

## CLEARING AND SETTLEMENT

The following is a summary of the rules and procedures of Euroclear and Clearstream, CDP, the CMU, DTC and Austraclear System (together, the “**Clearing Systems**”), currently in effect, as they relate to clearing and settlement of transactions involving the Notes. The rules and procedures of these systems are subject to change at any time. Investors wishing to use the facilities of any of the Clearing Systems are advised to confirm the continued applicability of the rules, regulations and procedures of the relevant Clearing System. None of the Issuer, the Arrangers, any Dealer nor any party to the Agency Agreement and the Singapore Supplemental Agency Agreement will have any responsibility or liability for any aspect of the records relating to, or payments made on account of, beneficial ownership interests in the Notes held through the facilities of any Clearing System or for maintaining, supervising or reviewing any records relating to such beneficial ownership interests. The applicable Pricing Supplement will specify the Clearing System(s) and/or clearing system(s) applicable for each Series.

### The Clearing Systems

#### *DTC*

DTC has advised us that it is a limited purpose trust company organized under the New York Banking Law, a “banking organization” within the meaning of the New York Banking Law, a member of the U.S. Federal Reserve System, a “clearing corporation” within the meaning of the New York Uniform Commercial Code and a “clearing agency” registered pursuant to Section 17A of the Exchange Act. DTC holds and provides assets servicing for securities that its participants (“**Participants**”) deposit with DTC. DTC also facilitates the settlement among Participants of securities transactions, such as transfers and pledges, in deposited securities through electronic computerized book-entry changes in Participants’ accounts, thereby eliminating the need for physical movement of securities certificates. DTC is owned by a number of its direct participants (“**Direct Participants**”), which include securities brokers and dealers, banks, trust companies, clearing corporations and certain other organizations. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly (“**Indirect Participants**”).

Under the rules, regulations and procedures creating and affecting DTC and its operations (the “**Rules**”), DTC makes book-entry transfers of Registered Notes among Direct Participants on whose behalf it acts with respect to Notes accepted into DTC’s book-entry settlement system (“**DTC Notes**”) as described below and receives and transmits distributions of principal and interest (in respect of the Notes other than the Perpetual Capital Securities) or Distribution (in respect of the Perpetual Capital Securities only), as applicable, on DTC Notes. The Rules are on file with the U.S. Securities and Exchange Commission. Direct Participants and Indirect Participants with which beneficial owners of DTC Notes (“**Owners**”) have accounts with respect to the DTC Notes similarly are required to make book-entry transfers and receive and transmit such payments on behalf of their respective Owners. Accordingly, although Owners who hold DTC Notes through Direct Participants or Indirect Participants will not possess Registered Notes, the Rules, by virtue of the requirements described above, provide a mechanism by which Direct Participants will receive payments and will be able to transfer their interest in respect of the DTC Notes.

Purchases of DTC Notes under the DTC system must be made by or through Direct Participants, which will receive a credit for the DTC Notes on DTC’s records. The ownership interest of each actual purchaser of each DTC Note (“**Beneficial Owner**”) is in turn to be recorded on the Direct and Indirect Participant’s records. Beneficial Owners will not receive written confirmation from DTC of their purchase, but Beneficial Owners are expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the



Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the DTC Notes are to be accomplished by entries made on the books of Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in DTC Notes, except in the event that use of the book-entry system for the DTC Notes is discontinued.

To facilitate subsequent transfers, all DTC Notes deposited by Direct Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co, or such other nominee as may be requested by an authorized representative of DTC. The deposit of DTC Notes with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not effect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the DTC Notes; DTC's records reflect only the identity of the Direct Participants to whose accounts such DTC Notes are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers. Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time.

Redemption notices shall be sent to DTC. If less than all of the DTC Notes within an issue are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such issue to be redeemed.

Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to DTC Notes, unless authorized by a Direct Participant in accordance with DTC's MMI Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to us as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts the DTC Notes are credited on the record date (identified in a listing attached to the Omnibus Proxy). Payments of principal and interest (in respect of the Notes other than the Perpetual Capital Securities) or Distribution (in respect of the Perpetual Capital Securities only), as applicable, on the DTC Notes will be made to DTC. DTC's practice is to credit Direct Participants' accounts on the due date for payment in accordance with their respective holdings shown on DTC's records unless DTC has reason to believe that it will not receive payment on the due date. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name", and will be the responsibility of such Participant and not of DTC or the Issuer, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of principal and interest (in respect of the Notes other than the Perpetual Capital Securities) or Distribution (in respect of the Perpetual Capital Securities only), as applicable, to DTC is the responsibility of the Issuer, disbursement of such payments to Direct Participants is the responsibility of DTC, and disbursement of such payments to the Beneficial Owners is the responsibility of Direct and Indirect Participants.

Under certain circumstances, including if there is an Event of Default or a Default under the Notes, DTC will exchange the DTC Notes for definitive Registered Notes, which it will distribute to its Participants in accordance with their proportionate entitlements and which, if representing interests in a Rule 144A Global Certificate, will be legended as set forth under "Transfer Restrictions".

Since DTC may only act on behalf of Direct Participants, who in turn act on behalf of Indirect Participants, any Beneficial Owner desiring to pledge DTC Notes to persons or entities that do not participate in DTC, or otherwise take actions with respect to such DTC Notes, will be required to withdraw its Registered Notes from DTC as described below.

### ***Euroclear and Clearstream***

Each of Euroclear and Clearstream holds securities for participating organizations and facilitates the clearance and settlement of securities transactions between their respective participants through electronic book-entry changes in accounts of such participants. Euroclear and Clearstream provide to their respective participants, among other things, services for safekeeping, administration, clearance and settlement of internationally-traded securities and securities lending and borrowing. Euroclear and Clearstream participants are financial institutions throughout the world, including underwriters, securities brokers and dealers, banks, trust companies, clearing corporations and certain other organizations. Indirect access to Euroclear or Clearstream is also available to others, such as banks, brokers, dealers and trust companies which clear through or maintain a custodial relationship with a Euroclear or Clearstream participant, either directly or indirectly. Euroclear and Clearstream have established an electronic bridge between their two systems across which their respective participants may settle trades with each other.

Distributions of amounts payable with respect to book-entry interests in the Notes held through Euroclear or Clearstream will be credited, to the extent received by the Issuing and Paying Agent, to the cash accounts of Euroclear or Clearstream participants in accordance with the relevant system's rules and procedures.

Each of the persons shown in the records of Euroclear, Clearstream or an Alternative Clearing System as the holder of a Note represented by a Global Note or a Global Certificate must look solely to Euroclear, Clearstream or any such Alternative Clearing System (as the case may be) for his share of each payment made by us to the bearer of such Global Note or the holder of the underlying Registered Notes, as the case may be, and in relation to all other rights arising under the Global Notes or Global Certificates, subject to and in accordance with the respective rules and procedures of Euroclear, Clearstream, or such Alternative Clearing System (as the case may be). Such persons shall have no claim directly against us in respect of payments due on the Notes for so long as the Notes are represented by such Global Note or Global Certificate and our obligations will be discharged by payment to the bearer of such Global Note or the holder of the underlying Registered Notes, as the case may be, in respect of each amount so paid.

Beneficial ownership in Notes will be held through financial institutions as direct and indirect participants in Euroclear and Clearstream.

The aggregate holdings of book-entry interests in the Notes in Euroclear and Clearstream will be reflected in the book-entry accounts of each such institution. Euroclear and Clearstream, as the case may be, and every other intermediate holder in the chain to the beneficial owner of book-entry interests in the Notes, will be responsible for establishing and maintaining accounts for their participants and customers having interests in the book-entry interest in the Notes. The Issuing and Paying Agent will be responsible for ensuring that payments received by it from us for holders of interests in the Notes holding through Euroclear and Clearstream are credited to Euroclear or Clearstream, as the case may be.

We will not impose any fees in respect of the Notes, however, holders of book entry interests in the Notes may incur fees normally payable in respect of the maintenance and operation of accounts in Euroclear and Clearstream.

## ***The CMU***

The CMU is a central depository service provided by the Central Moneymarkets Unit of the HKMA (the “**HKMA**”) for the safe custody and electronic trading between the members of this service (“**CMU Members**”) of capital markets instruments (“**CMU Instruments**”) which are specified in the CMU Service Reference Manual as capable of being held within the CMU. The CMU is only available to CMU Instruments issued by a CMU Member or by a person for whom a CMU Member acts as agent for the purposes of lodging instruments issued by such persons. Membership of the CMU is open to all members of the Hong Kong Capital Markets Association and “authorized institutions” under the Banking Ordinance (Cap. 155) of Hong Kong.

Compared to clearing services provided by Euroclear and Clearstream, the standard custody and clearing service provided by the CMU is limited. In particular (and unlike Euroclear and Clearstream), the HKMA does not as part of this service provide any facilities for the dissemination to the relevant CMU Members of payments (of interest or principal) under, or notices pursuant to the notice provisions of, the CMU Instruments. Instead, the HKMA advises the lodging CMU Member (or a designated paying agent) of the identities of the CMU Members to whose accounts payments in respect of the relevant CMU Instruments are credited, whereupon the lodging CMU Member (or the designated paying agent) will make the necessary payments of interest or principal or send notices directly to the relevant CMU Members. Similarly, the HKMA will not obtain certificates of non-U.S. beneficial ownership from CMU Members or provide any such certificates on behalf of CMU Members. The CMU Lodging and Paying Agent will collect such certificates from the relevant CMU Members identified from an instrument position report obtained by request from the HKMA for this purpose.

An investor holding an interest through an account with either Euroclear or Clearstream in any Notes held in the CMU will hold that interest through the respective accounts which Euroclear and Clearstream each have with the CMU.

## ***CDP***

In respect of Notes which are accepted for clearance by CDP in Singapore, clearance will be effected through an electronic book-entry clearance and settlement system for the trading of debt securities (“**Depository System**”) maintained by CDP. Notes that are to be listed on the SGX-ST may be cleared through CDP.

CDP, a wholly-owned subsidiary of Singapore Exchange Limited, is incorporated under the laws of Singapore and acts as a depository and clearing organization. CDP holds securities for its accountholders and facilitates the clearance and settlement of securities transactions between accountholders through electronic book-entry changes in the securities accounts maintained by such accountholders with CDP.

In respect of Notes which are accepted for clearance by CDP, the entire issue of the Notes is to be held by CDP in the form of a global note for persons holding the Notes in securities accounts with CDP (“**Depositors**”). Delivery and transfer of Notes between Depositors is by electronic book-entries in the records of CDP only, as reflected in the securities accounts of Depositors.

Settlement of over-the-counter trades in the Notes through the Depository System may only be effected through securities sub-accounts held with corporate depositors (“**Depository Agents**”). Depositors holding the Notes in direct securities accounts with CDP, and who wish to trade Notes through the Depository System, must transfer the Notes to be traded from such direct securities accounts to a securities sub-account with a Depository Agent for trade settlement.

CDP is not involved in money settlement between Depository Agents (or any other persons) as CDP is not a counterparty in the settlement of trades of debt securities. However, CDP will make payment of interest or Distribution, as applicable, and repayment of principal on behalf of issuers of debt securities.

Although CDP has established procedures to facilitate transfer of interests in the Notes in global form among Depositors, it is under no obligation to perform or continue to perform such procedures, and such procedures may be discontinued at any time. Neither we, the CDP Paying Agent nor any other agent will have the responsibility for the performance by CDP of its obligations under the rules and procedures governing its operations.

### **Book-Entry Ownership**

This section does not apply to AMTNs.

### ***Bearer Notes***

We will make applications to Clearstream and Euroclear for acceptance in their respective book-entry systems in respect of any Series of Bearer Notes. We may also apply to have Bearer Notes accepted for clearance through the CMU or CDP. In respect of Bearer Notes, a Temporary Global Note and/or a Permanent Global Note in bearer form without coupons will be deposited with a common depository for Clearstream and Euroclear and/or a sub-custodian for the CMU or CDP. Transfers of interests in a Temporary Global Note or a Permanent Global Note will be made in accordance with the normal Euromarket debt securities operating procedures of Clearstream and Euroclear or the CMU or CDP. Each Global Note will have an ISIN and a Common Code or, if lodged with a sub-custodian for the CMU, will have a CMU Instrument Number.

### ***Registered Notes***

We will make applications to Clearstream and Euroclear and we may make applications to the CMU or CDP for acceptance in their respective book-entry systems in respect of the Unrestricted Notes to be represented by each Unrestricted Global Certificate. Each Unrestricted Global Certificate will have an ISIN and a Common Code or, if lodged with a sub-custodian for the CMU, will have a CMU Instrument Number.

We will make applications to DTC for acceptance in its book-entry settlement system of the Unrestricted Notes and/or the Restricted Notes represented by each Global Certificate. Each Global Certificate accepted for clearance in DTC will have a CUSIP number. Each Restricted Global Certificate will be subject to restrictions on transfer contained in a legend appearing on the front of such Certificate, as set out under "Transfer Restrictions". In certain circumstances, as described below in "Transfers of Registered Notes", transfers of interests in a Restricted Global Certificate may be made as a result of which such legend is no longer applicable.

The custodian with whom the Global Certificates are deposited (the "**Custodian**") and DTC will electronically record the nominal amount of the individual beneficial interests represented by such Global Certificate to the accounts of persons who have accounts with DTC. Such accounts initially will be designated by or on behalf of the relevant Dealer. Ownership of beneficial interests in such a Global Certificate will be limited to Direct Participants or Indirect Participants, including, in the case of any Regulation S Global Certificate, the respective depositories of Euroclear and Clearstream. Ownership of beneficial interests in a Global Certificate accepted by DTC will be shown on, and the transfer of such ownership will be effected only through, records maintained by DTC or its nominee (with respect to the interests of Direct Participants) and the records of Direct Participants (with respect to interests of Indirect Participants).

Payments of the principal of, and interest on, each Global Certificate registered in the name of DTC's nominee will be to or to the order of its nominee as the registered owner of such Global Certificate. We expect that the nominee, upon receipt of any such payment, will immediately credit DTC participants' accounts with payments in amounts proportionate to their respective beneficial interests in the nominal amount of the relevant Global Certificate as shown on the records of DTC or the nominee. We also expect that payments by DTC participants to owners of beneficial interests in such Global Certificate held through such DTC participants will be governed by standing instructions and customary practices, as is now the case with securities held for the accounts of customers registered in the names of nominees for such customers. Such payments will be the responsibility of such DTC participants. Neither we nor any Paying Agent or any Transfer Agent will have any responsibility or liability for any aspect of the records relating to or payments made on account of ownership interests in the Global Certificates or for maintaining, supervising or reviewing any records relating to such ownership interests.

All Registered Notes will initially be in the form of an Unrestricted Global Certificate and/or a Restricted Global Certificate. Individual definitive Registered Notes will only be available, in the case of Unrestricted Notes, in amounts specified in the applicable Pricing Supplement, and, in the case of Restricted Notes, in amounts of U.S.\$200,000 (or its equivalent in other currencies), or higher integral multiples of U.S.\$1,000 (or its equivalent in other currencies), in certain limited circumstances described below.

### ***Individual Certificates***

Registration of title to Registered Notes in a name other than a depository or its nominee for Clearstream and Euroclear or a sub-custodian for the CMU or for CDP or for DTC will not be permitted unless (i) in the case of Restricted Notes, DTC notifies us that it is no longer willing or able to discharge properly its responsibilities as depository with respect to the Restricted Global Certificate, or ceases to be a "clearing agency" registered under the Exchange Act, or is at any time no longer eligible to act as such and we are unable to locate a qualified successor within 90 days of receiving notice of such ineligibility on the part of DTC, (ii) in the case of Unrestricted Notes, Clearstream or Euroclear is or a sub-custodian for CMU or an Alternative Clearing System and any such clearing system is closed for business for a continuous period of 14 days (other than by reason of holidays, statutory or otherwise) or announces an intention permanently to cease business or does, in fact, do so or, if such Global Certificate is held on behalf of CDP, and there shall have occurred and be continuing an Event of Default or Default or CDP is closed for business for a continuous period of 14 days (other than by reason of holidays, statutory or otherwise), or CDP announces an intention permanently to cease business and no Alternative Clearing System is available or CDP has notified us that it is unable or unwilling to act as depository for the Notes and to continue performing its duties under the Master Depository Services Agreement and no Alternative Clearing System is available or (iii) we provide our consent.

In such circumstances, we will cause sufficient individual definitive Registered Notes to be executed and delivered to the Registrar for completion, authentication and dispatch to the relevant Noteholder(s). A person having an interest in a Global Certificate must provide the Registrar with:

- (c) a written order containing instructions and such other information as we and the Registrar may require to complete, execute and deliver such individual definitive Registered Notes; and
- (d) in the case of a Restricted Global Certificate only, a fully completed, signed certification substantially to the effect that the exchanging holder is not transferring its interest at the time of such exchange, or in the case of a simultaneous resale pursuant to Rule 144A, a certification that the transfer is being made in compliance with the provisions of Rule 144A. Individual definitive Registered Notes issued pursuant to this paragraph (ii) shall bear the legends applicable to transfers pursuant to Rule 144A.

## Transfers of Registered Notes

Transfers of interests in Global Certificates within Clearstream, Euroclear, DTC, the CMU and CDP will be effected in accordance with the usual rules and operating procedures of the relevant clearing system. The laws of some states in the United States require that certain persons take physical delivery in definitive form of securities. Consequently, the ability to transfer interests in a Restricted Global Certificate to such persons may be limited. Because DTC can only act on behalf of direct participants, who in turn act on behalf of indirect participants, the ability of a person having an interest in a Restricted Global Certificate to pledge such interest to persons or entities that do not participate in DTC, or otherwise take actions in respect of such interest, may be affected by the lack of a physical certificate in respect of such interest.

Beneficial interests in an Unrestricted Global Certificate may be held only through CDP, Clearstream or Euroclear. In the case of Registered Notes to be cleared through Clearstream, Euroclear and/or DTC, transfers may be made at any time by a holder of an interest in an Unrestricted Global Certificate to a transferee who wishes to take delivery of such interest through the Restricted Global Certificate for the same Series of Notes provided that any such transfer made on or prior to the expiration of the Distribution Compliance Period (as defined in "Plan of Distribution") relating to the Notes represented by such Unrestricted Global Certificate will only be made upon receipt by the Registrar or any Transfer Agent of a written certificate from Euroclear or Clearstream, as the case may be (based on a written certificate from the transferor of such interest), to the effect that such transfer is being made to a person whom the transferor reasonably believes is a QIB in a transaction meeting the requirements of Rule 144A and in accordance with any applicable securities law of any state of the United States or any other jurisdiction. Any such transfer made thereafter of the Notes represented by such Unrestricted Global Certificate will only be made upon request through Clearstream or Euroclear by the holder of an interest in the Unrestricted Global Certificate to the U.S. Paying Agent and receipt by the U.S. Paying Agent of details of that account at DTC to be credited with the relevant interest in the Restricted Global Certificate. Transfers at any time by a holder of any interest in the Restricted Global Certificate to a transferee who takes delivery of such interest through an Unrestricted Global Certificate will only be made upon delivery to the Registrar or any Transfer Agent of a certificate setting forth compliance with the provisions of Regulation S and giving details of the account at Euroclear or Clearstream, as the case may be, and DTC to be credited and debited, respectively, with an interest in the relevant Global Certificates.

Subject to compliance with the transfer restrictions applicable to the Registered Notes described above and under "Transfer Restrictions", cross-market transfers between DTC, on the one hand, and directly or indirectly through Clearstream or Euroclear, on the other, will be effected by the relevant clearing system in accordance with its rules and through action taken by the Custodian, the Registrar and the U.S. Paying Agent.

On or after the Issue Date for any Series of Registered Notes, transfers of Notes of such Series between accountholders in Clearstream and Euroclear and transfers of Notes of such Series between participants in DTC will generally have a settlement day two business days after the trade date (T+2). The customary arrangements for delivery versus payment will apply to such transfers.

Cross-market transfers between accountholders in Clearstream or Euroclear and DTC participants will need to have an agreed settlement date between the parties to such transfer. Because there is no direct link between DTC, on the one hand, and Clearstream and Euroclear, on the other, transfers of interests in the relevant Global Certificates will be effected through the U.S. Paying Agent, the Custodian and the Registrar receiving instructions (and, where appropriate, certification) from the transferor and arranging for delivery of the interests being transferred to the credit of the designated account for the transferee. Transfers will be effected on the later of (i) three business days after the trade date for the disposal of the interest in the relevant Global Certificate resulting in such transfer and (ii) two business days after receipt by the

U.S. Paying Agent or the Registrar, as the case may be, of the necessary certification or information to effect such transfer. In the case of cross-market transfers, settlement between Euroclear or Clearstream and DTC participants cannot be made on a delivery versus payment basis. The securities will be delivered on a free delivery basis and arrangements for payment must be made separately.

For a further description of restrictions on transfer of Registered Notes, see “Transfer Restrictions”.

DTC will take any action permitted to be taken by a holder of Registered Notes (including, without limitation, the presentation of Restricted Global Certificates for exchange as described above) only at the direction of one or more participants in whose account with DTC interests in Restricted Global Certificates are credited and only in respect of such portion of the aggregate nominal amount of the relevant Restricted Global Certificates as to which such participant or participants has or have given such direction. However, in the circumstances described above, DTC will surrender the relevant Restricted Global Certificates for exchange for individual definitive Registered Notes (which will, in the case of Restricted Notes, bear the legend applicable to transfers pursuant to Rule 144A).

Although DTC, Clearstream and Euroclear have agreed to the foregoing procedures in order to facilitate transfers of beneficial interests in the Global Certificates among participants and accountholders of DTC, Clearstream and Euroclear, they are under no obligation to perform or continue to perform such procedures, and such procedures may be discontinued or changed at any time. Neither we, the Issuing and Paying Agent, the CDP Paying Agent, the CMU Lodging and Paying Agent nor any Transfer Agent will have any responsibility for the performance by Euroclear, Clearstream or DTC or their respective direct or indirect participants or accountholders of their respective obligations under the rules and procedures governing their operations.

While a Restricted Global Certificate is lodged with DTC or the Custodian, Restricted Notes represented by individual definitive Registered Notes will not be eligible for clearing or settlement through DTC, Clearstream or Euroclear.

### **Pre-Issue Trades Settlement for Registered Notes**

It is expected that delivery of Notes will be made against payment therefor on the relevant Issue Date, which could be more than two business days following the date of pricing. Under Rule 15c6-1 of the U.S. Securities and Exchange Commission under the Exchange Act, trades in the United States secondary market generally are required to settle within two business days (T+2), unless the parties to any such trade expressly agree otherwise. Accordingly, purchasers who wish to trade Notes in the United States on the date of pricing or the next succeeding business day until the relevant Issue Date will be required, by virtue of the fact that the Notes initially will settle beyond T+2, to specify an alternate settlement cycle at the time of any such trade to prevent a failed settlement. Settlement procedures in other countries will vary. Purchasers of Notes may be affected by such local settlement practices and purchasers of Notes who wish to trade Notes between the date of pricing and the relevant issue date should consult their own advisor.

### **The Austraclear System**

Each Tranche of AMTNs will be represented by a single AMTN Certificate substantially in the form set out in the Note (AMTN) Deed Poll. We shall issue and deliver, and procure the authentication by the Australian Agent of, such number of AMTNs Certificates as are required from time to time to represent all of the AMTNs of each Series. An AMTN Certificate is not a negotiable instrument nor is it a document of title in respect of any AMTNs it represents. In the event of a conflict between any AMTN Certificate and the Register, the Register shall prevail (subject to correction for fraud or proven error).

On issue of any AMTNs, we will (unless otherwise specified in the applicable Pricing Supplement) procure that the AMTNs are lodged with the Austraclear System. On lodgment, Austraclear will become the sole registered holder and legal owner of the AMTNs. Subject to the Austraclear System Regulations, participants of the Austraclear System (“**Accountholders**”) may acquire rights against Austraclear in relation to those AMTNs as beneficial owners and Austraclear is required to deal with the AMTNs in accordance with the directions and instructions of the Accountholders. Any potential investors who are not Accountholders would need to hold their interest in the relevant AMTNs through a nominee who is an Accountholder. All payments by us in respect of AMTNs entered in the Austraclear System will be made directly to an account agreed with Austraclear or as it directs in accordance with the Austraclear System Regulations.

### ***Holding of AMTNs through Euroclear and Clearstream***

Once lodged with the Austraclear System, interests in the AMTNs may be held through Euroclear or Clearstream. In these circumstances, entitlements in respect of holdings of interests in the AMTNs in Euroclear would be held in the Austraclear System by HSBC Custody Nominees (Australia) Limited as nominee of Euroclear, while entitlements in respect of holdings of interests in the AMTNs in Clearstream would be held in the Austraclear System by a nominee of J.P. Morgan Chase Bank N.A., as custodian for Clearstream.

The rights of a holder of interests in AMTNs held through Euroclear or Clearstream are subject to the respective rules and regulations of Euroclear and Clearstream, the arrangements between Euroclear and Clearstream and their respective nominees and the Austraclear System Regulations.

### ***Transfers***

Any transfer of AMTNs will be subject to the Australian Corporations Act and the other requirements set out in the terms and conditions of the AMTNs and, where the AMTNs are entered in the Austraclear System, the Austraclear System Regulations.

Secondary market sales of AMTNs settled in the Austraclear System will be settled in accordance with the Austraclear System Regulations.

### ***Relationship of Accountholders with Austraclear System***

Accountholders who acquire an interest in AMTNs lodged with the Austraclear System must look solely to Austraclear for their rights in relation to such AMTNs and will have no claim directly against the Issuer in respect of such AMTNs although under the Austraclear System Regulations, Austraclear may direct the Issuer to make payments direct to the relevant Accountholders.

Where Austraclear is registered as the holder of any AMTNs that is lodged with the Austraclear System, Austraclear may, where specified in the Austraclear System Regulations, transfer the AMTNs to the person in whose Security Record (as defined in the Austraclear System Regulations) those AMTNs are recorded and, as a consequence, remove those AMTNs from the Austraclear System.

Potential investors in AMTNs should inform themselves of, and satisfy themselves with, the Austraclear System Regulations and (where applicable) the rules of Euroclear and Clearstream and the arrangements between them and their nominees in the Austraclear System.

AMTNs lodged with the Austraclear System will be transferable only in accordance with the rules and regulations (in force from time to time) of the Austraclear System. The transferor of an AMTN is deemed to remain the holder of such AMTN until the name of the transferee is entered in the Register in respect of such AMTN.



## TRANSFER RESTRICTIONS

### Restricted Notes

Each purchaser of Restricted Notes within the United States pursuant to Rule 144A, by accepting delivery of this Offering Memorandum, will be deemed to have represented, agreed and acknowledged that:

- (i) it is (a) a QIB, (b) acquiring such Restricted Notes for its own account or for the account of a QIB and (c) aware, and each beneficial owner of such Restricted Notes has been advised, that the sale of such Restricted Notes to it is being made in reliance on Rule 144A;
- (ii) it understands that such Restricted Notes have not been and will not be registered under the Securities Act and any other applicable U.S. state securities laws and (a) may not be offered, sold, pledged or otherwise transferred except (i) in accordance with Rule 144A to a person that it and any person acting on its behalf reasonably believe is a QIB purchasing for its own account or for the account of a QIB, (ii) in an offshore transaction in accordance with Rule 903 or Rule 904 of Regulation S or (iii) pursuant to an exemption from registration under the Securities Act provided by Rule 144 thereunder (if available), in each case in accordance with any applicable securities laws of any state of the United States; (b) the purchaser will, and each subsequent purchaser is required to, notify any subsequent purchaser of such Restricted Notes from it of the resale restrictions referred to in (a) above; and (c) no representation can be made as to the availability of the exemption provided by Rule 144 under the Securities Act for resale of the Notes.
- (iii) it understands that such Restricted Notes, unless the Issuer determines otherwise in compliance with applicable law, will bear a legend to the following effect:

THE NOTE EVIDENCED HEREBY HAS NOT BEEN AND WILL NOT BE REGISTERED UNDER THE U.S. SECURITIES ACT OF 1933 (THE "**SECURITIES ACT**") OR WITH ANY SECURITIES REGULATORY AUTHORITY OF ANY STATE OR OTHER JURISDICTION OF THE UNITED STATES AND MAY NOT BE OFFERED, SOLD, PLEDGED OR OTHERWISE TRANSFERRED EXCEPT (1) IN ACCORDANCE WITH RULE 144A UNDER THE SECURITIES ACT ("**RULE 144A**") TO A PERSON THAT THE HOLDER AND ANY PERSON ACTING ON ITS BEHALF REASONABLY BELIEVE IS A QUALIFIED INSTITUTIONAL BUYER WITHIN THE MEANING OF RULE 144A PURCHASING FOR ITS OWN ACCOUNT OR FOR THE ACCOUNT OF A QUALIFIED INSTITUTIONAL BUYER, (2) IN AN OFFSHORE TRANSACTION IN ACCORDANCE WITH RULE 903 OR RULE 904 OF REGULATION S UNDER THE SECURITIES ACT OR (3) PURSUANT TO AN EXEMPTION FROM REGISTRATION PROVIDED BY RULE 144 THEREUNDER (IF AVAILABLE), IN EACH CASE IN ACCORDANCE WITH ANY APPLICABLE SECURITIES LAWS OF ANY STATE OF THE UNITED STATES. NO REPRESENTATION CAN BE MADE AS TO THE AVAILABILITY OF THE EXEMPTION PROVIDED BY RULE 144 UNDER THE SECURITIES ACT FOR REALES OF THIS NOTE. PROSPECTIVE PURCHASERS ARE HEREBY NOTIFIED THAT THE SELLER OF THIS NOTE MAY BE RELYING ON THE EXEMPTION FROM THE PROVISIONS OF SECTION 5 OF THE SECURITIES ACT PROVIDED BY RULE 144A;

- (iv) it understands that such Restricted Notes, unless the Issuer determines otherwise in compliance with applicable law, will bear a legend to the following effect:

EACH PURCHASER AND SUBSEQUENT TRANSFEREE OF THIS NOTE WILL BE DEEMED TO HAVE REPRESENTED AND WARRANTED THAT, AT THE TIME OF ITS ACQUISITION AND THROUGHOUT THE PERIOD IT HOLDS SUCH NOTE, EITHER (X) IT IS NOT (1) AN EMPLOYEE BENEFIT PLAN AS DEFINED IN SECTION 3(3) OF THE EMPLOYEE RETIREMENT INCOME SECURITY ACT OF 1974, AS AMENDED ("**ERISA**"),

AND SUBJECT TO TITLE I OF ERISA, (2) A PLAN AS DEFINED IN SECTION 4975(e)(1) OF THE INTERNAL REVENUE CODE OF 1986, AS AMENDED (THE “CODE”), AND SUBJECT TO SECTION 4975 OF THE CODE, (3) ANY ENTITY WHOSE UNDERLYING ASSETS ARE DEEMED TO INCLUDE “PLAN ASSETS” BY REASON OF INVESTMENT BY ANY OF THE FOREGOING IN THE ENTITY, OR (4) A GOVERNMENTAL, CHURCH, NON-U.S. OR OTHER PLAN WHICH IS SUBJECT TO ANY U.S. FEDERAL, STATE, LOCAL OR NON-U.S. LAW THAT IS SUBSTANTIALLY SIMILAR TO THE PROVISIONS OF SECTION 406 OF ERISA OR SECTION 4975 OF THE CODE OR (Y) ITS PURCHASE, HOLDING AND DISPOSITION OF THIS NOTE WILL NOT CONSTITUTE OR RESULT IN A NON-EXEMPT PROHIBITED TRANSACTION UNDER SECTION 406 OF ERISA OR SECTION 4975 OF THE CODE (OR, IN THE CASE OF A GOVERNMENTAL, CHURCH, NON-U.S. OR OTHER PLAN, A NON-EXEMPT VIOLATION OF ANY SUBSTANTIALLY SIMILAR LAW). ANY PURPORTED TRANSFER OF THIS NOTE, OR ANY INTEREST THEREIN TO A PURCHASER OR TRANSFEREE THAT DOES NOT COMPLY WITH THE ABOVE REQUIREMENTS WILL BE OF NO FORCE AND EFFECT AND SHALL BE NULL AND VOID AB INITIO;

- (v) either (a) it is neither an “employee benefit plan” as defined in ERISA, and subject to Title I of ERISA, a “plan” as defined in Section 4975(e)(1) of the Code, and subject to Section 4975 of the Code, nor any entity whose underlying assets include “plan assets” by reason of such plan’s investment in the entity, nor a governmental, church, non-U.S. or other plan which is subject to any federal, state, local or non-U.S. law that is substantially similar to the provisions of Section 406 of ERISA or Section 4975 of the Code or (b) its purchase, holding and disposition of a Note will not constitute or result in a non-exempt prohibited transaction under Section 406 of ERISA or Section 4975 of the Code (or, in the case of a governmental, church, non-U.S. or other plan, a non-exempt violation of any substantially similar law). Any purported transfer of a Note, or any interest therein to a purchaser or transferee that does not comply with the above requirements will be of no force and effect and shall be null and void *ab initio*;
- (vi) it understands that the Restricted Notes offered in reliance on Rule 144A will be represented by a Restricted Global Certificate. Before any interest in the Restricted Global Certificate may be offered, sold, pledged or otherwise transferred to a person who takes delivery in the form of an interest in the Unrestricted Global Certificate, it will be required to provide a Transfer Agent with a written certification (in the form provided in the Agency Agreement) as to compliance with applicable securities laws; and
- (vii) it acknowledges that the Issuer, the Registrar, any Dealers and their affiliates, and others will rely upon the truth and accuracy of the foregoing acknowledgements, representations and agreements. If it is acquiring any Restricted Notes for the account of one or more QIBs, it represents that it has sole investment discretion with respect to each such account and that it has full power to make the foregoing acknowledgements, representations and agreements on behalf of each such account.

**Prospective purchasers are hereby notified that sellers of the Notes may be relying on the exemption from the provisions of Section 5 of the Securities Act provided by Rule 144A.**

Additional transfer restrictions may be set forth in the applicable Pricing Supplement with respect to a particular Tranche of a Registered Series.

## Unrestricted Notes

Each purchaser of Unrestricted Notes outside the United States pursuant to Regulation S and each subsequent purchaser of such Unrestricted Notes in resales prior to the expiration of the Distribution Compliance Period (as defined in “Plan of Distribution”), by accepting delivery of this Offering Memorandum and the Unrestricted Notes, will be deemed to have represented, agreed and acknowledged that:

- (i) it is, or at the time Unrestricted Notes are purchased will be, the beneficial owner of such Unrestricted Notes and (a) it is not a U.S. person and it is located outside the United States (within the meaning of Regulation S) and (b) it is not an affiliate of the Issuer or a person acting on behalf of such an affiliate;
- (ii) it understands that such Unrestricted Notes have not been and will not be registered under the Securities Act and that, prior to the expiration of the Distribution Compliance Period, it will not offer, sell, pledge or otherwise transfer such Unrestricted Notes except (a) in accordance with Rule 144A to a person that it and any person acting on its behalf reasonably believe is a QIB purchasing for its own account or the account of a QIB or (b) in an offshore transaction in accordance with Rule 903 or Rule 904 of Regulation S, in each case in accordance with any applicable securities laws of any State of the United States;
- (iii) it understands that the Unrestricted Notes, unless otherwise determined by the Issuer in accordance with applicable law, will bear a legend to the following effect:

THIS NOTE HAS NOT BEEN AND WILL NOT BE REGISTERED UNDER THE U.S. SECURITIES ACT OF 1933 (THE “**SECURITIES ACT**”) OR WITH ANY SECURITIES REGULATORY AUTHORITY OF ANY STATE OR OTHER JURISDICTION OF THE UNITED STATES AND MAY NOT BE OFFERED, SOLD, PLEDGED OR OTHERWISE TRANSFERRED WITHIN THE UNITED STATES EXCEPT PURSUANT TO AN EXEMPTION FROM REGISTRATION UNDER THE SECURITIES ACT;

- (iv) it understands that any Notes, unless the Issuer determines otherwise in compliance with applicable law, will bear a legend to the following effect:

EACH PURCHASER AND SUBSEQUENT TRANSFEREE OF THIS NOTE WILL BE DEEMED TO HAVE REPRESENTED AND WARRANTED THAT, AT THE TIME OF ITS ACQUISITION AND THROUGHOUT THE PERIOD IT HOLDS SUCH NOTE, EITHER (X) IT IS NOT AN EMPLOYEE BENEFIT PLAN AS DEFINED IN SECTION 3(3) OF THE EMPLOYEE RETIREMENT INCOME SECURITY ACT OF 1974, AS AMENDED (“**ERISA**”), AND SUBJECT TO TITLE I OF ERISA, A PLAN AS DEFINED IN SECTION 4975(e)(1) OF THE INTERNAL REVENUE CODE OF 1986, AS AMENDED (THE “**CODE**”), AND SUBJECT TO SECTION 4975 OF THE CODE OR ANY ENTITY WHOSE UNDERLYING ASSETS ARE DEEMED TO INCLUDE “PLAN ASSETS” BY REASON OF INVESTMENT BY ANY OF THE FOREGOING IN THE ENTITY, OR A GOVERNMENTAL, CHURCH, NON-U.S. OR OTHER PLAN WHICH IS SUBJECT TO ANY FEDERAL, STATE, LOCAL OR NON-U.S. LAW THAT IS SUBSTANTIALLY SIMILAR TO THE PROVISIONS OF SECTION 406 OF ERISA OR SECTION 4975 OF THE CODE OR (Y) ITS PURCHASE, HOLDING AND DISPOSITION OF THIS NOTE WILL NOT CONSTITUTE OR RESULT IN A NON-EXEMPT PROHIBITED TRANSACTION UNDER SECTION 406 OF ERISA OR SECTION 4975 OF THE CODE (OR, IN THE CASE OF A GOVERNMENTAL, CHURCH, NON-U.S. OR OTHER PLAN, A NON-EXEMPT VIOLATION OF ANY SUBSTANTIALLY SIMILAR LAW). ANY PURPORTED TRANSFER OF THIS NOTE, OR ANY INTEREST THEREIN TO A PURCHASER OR TRANSFEREE THAT DOES NOT COMPLY WITH THE ABOVE REQUIREMENTS WILL BE OF NO FORCE AND EFFECT AND SHALL BE NULL AND VOID AB INITIO.

- (v) either (a) it is neither an “employee benefit plan” as defined in ERISA, and subject to Title I of ERISA, a “plan” as defined in Section 4975(e)(1) of the Code, and subject to Section 4975 of the Code, nor any entity whose underlying assets include “plan assets” by reason of such plan’s investment in the entity, nor a governmental, church, non-U.S. or other plan which is subject to any federal, state, local or non-U.S. law that is substantially similar to the provisions of Section 406 of ERISA or Section 4975 of the Code or (b) its purchase, holding and disposition of a Note will not constitute or result in a non-exempt prohibited transaction under Section 406 of ERISA or Section 4975 of the Code (or, in the case of a governmental, church, non-U.S. or other plan, a non-exempt violation of any substantially similar law). Any purported transfer of a Note, or any interest therein to a purchaser or transferee that does not comply with the above requirements will be of no force and effect and shall be null and void *ab initio*;
- (vi) it understands that the Unrestricted Notes offered in reliance on Regulation S will be represented by an Unrestricted Global Certificate. Prior to the expiration of the Distribution Compliance Period, before any interest in the Unrestricted Global Certificate may be offered, sold, pledged or otherwise transferred to a person who takes delivery in the form of an interest in the Restricted Global Certificate, it will be required to provide a Transfer Agent with a written certification (in the form provided in the Agency Agreement) as to compliance with applicable securities laws; and
- (vii) the Issuer, the Registrar, the Dealers and their affiliates, and others will rely upon the truth and accuracy of the foregoing acknowledgements, representations and agreements.

Additional transfer restrictions may be set forth in the applicable Pricing Supplement with respect to a particular Tranche of a Registered Series.

## **LEGAL MATTERS**

Legal matters in connection with the issue and sale of the Notes offered hereby will be passed upon for OCBC Bank by (i) Allen & Gledhill LLP, legal advisor to OCBC Bank, with respect to certain matters of Singapore law, (ii) Linklaters Singapore Pte. Ltd., legal advisor to OCBC Bank, with respect to certain matters of English law and the federal laws of the United States and (iii) King & Wood Mallesons, legal advisor to OCBC Bank, with respect to certain matters of Australian law. The Arrangers are being represented by Clifford Chance Pte. Ltd. as to certain matters of English law and the federal laws of the United States.

## **INDEPENDENT AUDITORS**

The consolidated financial statements of Oversea-Chinese Banking Corporation Limited and subsidiaries as of and for the years ended December 31, 2019, 2018, and 2017, incorporated by reference into this offering memorandum, have been audited by KPMG LLP, independent auditors as stated in their reports incorporated by reference herein. Our unaudited interim consolidated financial statements as of and for the six months ended June 30, 2020, which are included in this Offering Memorandum, have been reviewed by PricewaterhouseCoopers LLP, independent auditors as set forth in their reports incorporated by reference herein.

## GENERAL INFORMATION

- (1) We have obtained and each Specified Issuer will obtain all necessary consents, approvals and authorizations in connection with the establishment of the Program or issue of Notes issued by it, as applicable.
- (2) We have not been involved in, and are not aware of, any litigation or arbitration proceedings relating to claims or amounts that are material in the context of the issue of the Notes.
- (3) Each Bearer Note, Receipt, Coupon and Talon will bear the following legend: "Any United States person who holds this obligation will be subject to limitations under the United States income tax laws, including the limitations provided in Sections 165(j) and 1287(a) of the Internal Revenue Code".
- (4) Notes have been accepted for clearance through the Euroclear and Clearstream systems (which are entities in charge of keeping the records) and CDP. We may also apply to have Notes accepted for clearance through the CMU. The relevant CMU Instrument Number will be set out in the applicable Pricing Supplement. The Common Code and the International Securities Identification Number ("ISIN") for each Series of Notes will be set out in the applicable Pricing Supplement. In addition, we will make an application with respect to each Series of Registered Notes intended to be eligible for sale pursuant to Rule 144A for such Notes to be accepted for trading in book entry form by DTC. Acceptance of each Series and the relevant Committee on the Uniform Security Identification Procedure (CUSIP) number applicable to a Series will be set out in the applicable Pricing Supplement.

The Legal Entity Identifier ("LEI") of OCBC Bank acting through its registered office in Singapore is 5493007O3QFXCPOGWK22 or as otherwise specified for a Specified Issuer as set out in the applicable Pricing Supplement.

- (5) We will apply to have the AMTNs accepted for clearance through the Austraclear System. AMTNs which are held on the Austraclear System will be registered in the name of Austraclear. The Common Code and the ISIN for each Series of AMTNs will be set out in the applicable Pricing Supplement.
- (6) For so long as Notes may be issued pursuant to this Offering Memorandum, the following documents will be available, during usual business hours on any weekday (Saturdays and public holidays excepted), for inspection at our registered office:
  - (i) the Agency Agreement and the Singapore Supplemental Agency Agreement;
  - (ii) the Trust Deed (which includes the form of the Global Notes, the definitive Bearer Notes, the Global Certificates, the Certificates, the Coupons, the Receipts and the Talons) and the Singapore Supplemental Trust Deed;
  - (iii) the Note (AMTN) Deed Poll in respect of AMTNs;
  - (iv) the Australian Agency Agreement in respect of AMTNs;
  - (v) the Deeds of Accession signed by each Specified Issuer;
  - (vi) our Constitution and the constitution of each Specified Issuer;
  - (vii) our latest audited financial statements and latest interim financial statements;

- (viii) each Pricing Supplement for Notes that are listed on any stock exchange; and
  - (ix) a copy of this Offering Memorandum together with any supplemental Offering Memorandum or further Offering Memorandum.
- (7) Copies of the Trust Deed, the Singapore Supplemental Trust Deed, the Agency Agreement and the Singapore Supplemental Agency Agreement, the CDP Deed of Covenant, the Note (AMTN) Deed Poll and the Australian Agency Agreement will be available for inspection, at the principal office of the Trustee and at the specified offices of each of the Paying Agents during normal business hours, so long as any of the Notes is outstanding.
- (8) PricewaterhouseCoopers LLP has reviewed, and rendered an unqualified review report on, the accounts of OCBC Bank as of and for the six months ended June 30, 2020.



## INDEX TO FINANCIAL INFORMATION

### Oversea-Chinese Banking Corporation Limited and its Subsidiaries Unaudited Interim Consolidated Financial Statements as of and for the six months ended June 30, 2020

Report on Review of Condensed Consolidated Interim Financial Information . . . . .	F-4
Unaudited Condensed Consolidated Income Statement . . . . .	F-5
Unaudited Condensed Consolidated Statement of Comprehensive Income . . . . .	F-6
Unaudited Condensed Consolidated Balance Sheet . . . . .	F-7
Unaudited Condensed Consolidated Statement of Changes in Equity . . . . .	F-8
Unaudited Condensed Consolidated Cash Flow Statement . . . . .	F-10
Notes to the Unaudited Condensed Interim Financial Statements . . . . .	F-11

**OVERSEA-CHINESE BANKING CORPORATION LIMITED**  
*(Incorporated in Singapore. Registration Number: 193200032W)*  
**AND ITS SUBSIDIARIES**

**UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS**  
*For the half year ended 30 June 2020*

**OVERSEA-CHINESE BANKING CORPORATION LIMITED**  
*(Incorporated in Singapore. Registration Number: 193200032W)*  
**AND ITS SUBSIDIARIES**

**UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS**  
*For the half year ended 30 June 2020*

## **Contents**

	Page
Report on Review of Condensed Consolidated Interim Financial Information	1
Unaudited Condensed Consolidated Income Statement	2
Unaudited Condensed Consolidated Statement of Comprehensive Income	3
Unaudited Condensed Consolidated Balance Sheet	4
Unaudited Condensed Consolidated Statement of Changes in Equity	5
Unaudited Condensed Consolidated Cash Flow Statement	7
Notes to the Unaudited Condensed Interim Financial Statements	8



## REPORT ON REVIEW OF CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION TO THE DIRECTORS OF OVERSEA-CHINESE BANKING CORPORATION LIMITED

### **Introduction**

We have reviewed the accompanying condensed consolidated interim financial information of Oversea-Chinese Banking Corporation Limited (“the Bank”) and its subsidiaries (“the Group”) comprising:

- the unaudited condensed consolidated income statement for the six-month period ended 30 June 2020;
- the unaudited condensed consolidated statement of comprehensive income for the period then ended;
- the unaudited condensed consolidated balance sheet as at 30 June 2020;
- the unaudited condensed consolidated statement of changes in equity for the period then ended;
- the unaudited condensed consolidated cash flow statement for the period then ended; and
- the notes to the unaudited condensed interim financial statements, comprising a summary of significant accounting policies and other explanatory notes.

Management is responsible for the preparation and presentation of this condensed consolidated interim financial information in accordance with Singapore Financial Reporting Standard (International) (“SFRS(I)”) 1-34 Interim Financial Reporting. Our responsibility is to express a conclusion on this condensed consolidated interim financial information based on our review.

### **Scope of Review**

We conducted our review in accordance with Singapore Standard on Review Engagements 2410, *Review of Interim Financial Information Performed by the Independent Auditor of the Entity*. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Singapore Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

### **Conclusion**

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed consolidated interim financial information is not prepared, in all material respects, in accordance with SFRS(I) 1-34.

### **Restriction on distribution and use**

Our report is provided in accordance with the terms of our engagement and for its inclusion in the Bank’s Offering Memorandum in connection with its US\$30,000,000,000 Medium Term Note Programme, and is not intended for any other purpose. We do not assume responsibility or liabilities to anyone other than the Bank for our work, for our report, or for the conclusions we have reached in our report.

*PricewaterhouseCoopers LLP*

PricewaterhouseCoopers LLP  
Public Accountants and Chartered Accountants  
Singapore, 6 August 2020

---

*PricewaterhouseCoopers LLP, 7 Straits View, Marina One East Tower Level 12, Singapore 018936*  
T: (65) 6236 3388, www.pwc.com/sg GST No.: M90362193L Reg. No.: T09LL0001D

1

PricewaterhouseCoopers LLP (Registration No. T09LL0001D) is an accounting limited liability partnership registered in Singapore under the Limited Liability Partnerships Act (Chapter 163A). PricewaterhouseCoopers LLP is part of the network of member firms of PricewaterhouseCoopers International Limited, each of which is a separate and independent legal entity.

**OVERSEA-CHINESE BANKING CORPORATION LIMITED AND ITS SUBSIDIARIES**

**UNAUDITED CONDENSED CONSOLIDATED INCOME STATEMENT**

*For the half year ended 30 June 2020*

	Note	GROUP	
		1H 2020 \$ million	1H 2019 \$ million
Interest income		5,229	6,093
Interest expense		(2,120)	(2,971)
<b>Net interest income</b>	3	<b>3,109</b>	<b>3,122</b>
Profit from life insurance	4	338	375
Premium income from general insurance		101	89
Fees and commissions (net)	5	986	1,017
Dividends		30	32
Net trading income	6	343	478
Other income	7	208	181
<b>Non-interest income</b>		<b>2,006</b>	<b>2,172</b>
<b>Total income</b>		<b>5,115</b>	<b>5,294</b>
Staff costs		(1,403)	(1,390)
Other operating expenses	8	(813)	(856)
<b>Total operating expenses</b>		<b>(2,216)</b>	<b>(2,246)</b>
<b>Operating profit before allowances and amortisation</b>		<b>2,899</b>	<b>3,048</b>
Amortisation of intangible assets		(53)	(51)
Allowances for loans and other assets	9	(1,407)	(360)
<b>Operating profit after allowances and amortisation</b>		<b>1,439</b>	<b>2,637</b>
Share of results of associates, net of tax		328	316
<b>Profit before income tax</b>		<b>1,767</b>	<b>2,953</b>
Income tax expense		(281)	(419)
<b>Profit for the financial period</b>		<b>1,486</b>	<b>2,534</b>
<b>Attributable to:</b>			
Equity holders of the Bank		1,428	2,454
Non-controlling interests		58	80
		<b>1,486</b>	<b>2,534</b>
<b>Earnings per share (\$)</b>			
Basic		0.32	0.57
Diluted		0.32	0.57

*The accompanying notes form an integral part of these unaudited condensed interim financial statements.*

**OVERSEA-CHINESE BANKING CORPORATION LIMITED AND ITS SUBSIDIARIES**

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**

*For the half year ended 30 June 2020*

	<b>GROUP</b>	
	<b>1H 2020</b> <b>\$ million</b>	<b>1H 2019</b> <b>\$ million</b>
<b>Profit for the financial period</b>	<b>1,486</b>	2,534
<b>Other comprehensive income:</b>		
<b>Items that may be reclassified subsequently to income statement:</b>		
Financial assets, at FVOCI <sup>(1)</sup>		
Fair value gains for the financial period	587	639
Reclassification of (gains)/losses to income statement		
- on disposal	(399)	(112)
- on impairment	10	(2)
Tax on net movements	(7)	(73)
Cash flow hedges	2	(3)
Currency translation on foreign operations	437	(34)
Other comprehensive income of associates	93	(4)
<b>Items that will not be reclassified subsequently to income statement:</b>		
Financial assets, at FVOCI <sup>(1)</sup> , net change in fair value	(193)	257
Defined benefit plans remeasurements	#	#
Own credit	1	1
<b>Total other comprehensive income, net of tax</b>	<b>531</b>	669
<b>Total comprehensive income for the financial period, net of tax</b>	<b>2,017</b>	3,203
<b>Total comprehensive income attributable to:</b>		
Equity holders of the Bank	1,975	3,070
Non-controlling interests	42	133
	<b>2,017</b>	3,203

<sup>(1)</sup> Fair value through other comprehensive income.

<sup>(2)</sup> # represents amounts less than \$0.5 million.

*The accompanying notes form an integral part of these unaudited condensed interim financial statements.*

OVERSEA-CHINESE BANKING CORPORATION LIMITED AND ITS SUBSIDIARIES

UNAUDITED CONDENSED CONSOLIDATED BALANCE SHEET

As at 30 June 2020

	Note	GROUP	
		30 June 2020 \$ million	31 December 2019 \$ million
<b>EQUITY</b>			
<b>Attributable to equity holders of the Bank</b>			
Share capital	11.1	17,296	17,261
Other equity instruments	11.2	1,497	1,497
Capital reserves		1,224	1,253
Fair value reserves		993	919
Revenue reserves		26,874	26,232
		<u>47,884</u>	<u>47,162</u>
<b>Non-controlling interests</b>		<u>1,458</u>	<u>1,441</u>
<b>Total equity</b>		<u>49,342</u>	<u>48,603</u>
<b>LIABILITIES</b>			
Deposits of non-bank customers	12	309,731	302,851
Deposits and balances of banks	12	12,460	8,250
Due to associates		422	347
Trading portfolio liabilities		425	92
Derivative payables	13	14,129	7,687
Other liabilities		8,122	6,945
Current tax payables		1,357	1,189
Deferred tax liabilities		1,524	1,893
Debt issued	14	23,596	29,388
		<u>371,766</u>	<u>358,642</u>
Life insurance fund liabilities		<u>88,894</u>	<u>84,446</u>
<b>Total liabilities</b>		<u>460,660</u>	<u>443,088</u>
<b>Total equity and liabilities</b>		<u>510,002</u>	<u>491,691</u>
<b>ASSETS</b>			
Cash and placements with central banks		19,698	23,201
Singapore government treasury bills and securities		11,117	11,042
Other government treasury bills and securities <sup>(1)</sup>		20,998	17,712
Placements with and loans to banks <sup>(1)</sup>		36,158	35,864
Loans to customers <sup>(1)</sup>	15	264,391	262,348
Debt and equity securities <sup>(1)</sup>		32,213	29,253
Assets held for sale		21	3
Derivative receivables	13	14,135	7,349
Other assets		6,716	4,409
Deferred tax assets		157	87
Associates		4,190	3,638
Property, plant and equipment		3,628	3,628
Investment property		829	839
Goodwill and intangible assets		5,013	4,980
		<u>419,264</u>	<u>404,353</u>
Life insurance fund investment assets		<u>90,738</u>	<u>87,338</u>
<b>Total assets</b>		<u>510,002</u>	<u>491,691</u>

<sup>(1)</sup> Comparatives have been restated to conform to current period presentation.

The accompanying notes form an integral part of these unaudited interim condensed financial statements.

OVERSEA-CHINESE BANKING CORPORATION LIMITED AND ITS SUBSIDIARIES

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the half year ended 30 June 2020

In \$ million	Attributable to equity holders of the Bank					Non-controlling interests	Total equity
	Share capital and other equity	Capital reserves <sup>(1)</sup>	Fair value reserves	Revenue reserves	Total		
Balance at 1 January 2020	18,758	1,253	919	26,232	47,162	1,441	48,603
<b>Total comprehensive income for the financial period</b>							
<b>Profit for the financial period</b>	–	–	–	1,428	1,428	58	1,486
<b>Other comprehensive income</b>							
<b>Items that may be reclassified subsequently to income statement:</b>							
Financial assets, at FVOCI							
Fair value gains for the financial period	–	–	553	–	553	34	587
Reclassification of (gains)/losses to income statement							
- on disposal	–	–	(366)	–	(366)	(33)	(399)
- on impairment	–	–	9	–	9	1	10
Tax on net movements	–	–	(7)	–	(7)	(#)	(7)
Cash flow hedges	–	–	–	2	2	–	2
Currency translation on foreign operations	–	–	–	434	434	3	437
Other comprehensive income of associates	–	–	24	69	93	–	93
<b>Items that will not be reclassified subsequently to income statement:</b>							
Financial assets, at FVOCI, net change in fair value	–	–	(139)	(33)	(172)	(21)	(193)
Defined benefit plans remeasurements	–	–	–	#	#	#	#
Own credit	–	–	–	1	1	–	1
<b>Total other comprehensive income, net of tax</b>	–	–	74	473	547	(16)	531
<b>Total comprehensive income for the financial period, net of tax</b>	–	–	74	1,901	1,975	42	2,017
<b>Transactions with owners, recorded directly in equity</b>							
<b>Contributions by and distributions to owners</b>							
Transfers	–	(1)	–	1	–	–	–
Buy-back of shares held as treasury shares	(63)	–	–	–	(63)	–	(63)
Dividends and distributions	–	–	–	(1,263)	(1,263)	(29)	(1,292)
DSP reserve from dividends on unvested shares	–	–	–	3	3	–	3
Share-based payments for staff costs	–	5	–	–	5	–	5
Shares issued to non-executive directors	1	–	–	–	1	–	1
Shares transferred to DSP Trust	–	(6)	–	–	(6)	–	(6)
Shares vested under DSP Scheme	–	63	–	–	63	–	63
Treasury shares transferred/sold	97	(90)	–	–	7	–	7
<b>Total contributions by and distributions to owners</b>	35	(29)	–	(1,259)	(1,253)	(29)	(1,282)
Changes in interests in a subsidiary that do not result in loss of control	–	–	–	–	–	4	4
<b>Total changes in interests in a subsidiary</b>	–	–	–	–	–	4	4
<b>Balance at 30 June 2020</b>	<b>18,793</b>	<b>1,224</b>	<b>993</b>	<b>26,874</b>	<b>47,884</b>	<b>1,458</b>	<b>49,342</b>
Included in the balances:							
Share of reserves of associates	–	–	115	1,839	1,954	–	1,954

<sup>(1)</sup> Including regulatory loss allowance reserve of \$876 million at 1 January 2020 and \$874 million at 30 June 2020.

<sup>(2)</sup> # represents amounts less than \$0.5 million.

The accompanying notes form an integral part of these unaudited condensed interim financial statements.



OVERSEA-CHINESE BANKING CORPORATION LIMITED AND ITS SUBSIDIARIES

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the half year ended 30 June 2020

In \$ million	Attributable to equity holders of the Bank					Non-controlling interests	Total equity
	Share capital and other equity reserves	Capital reserves <sup>(1)</sup>	Fair value reserves	Revenue reserves	Total		
<b>Balance at 1 January 2019</b>	17,247	930	(66)	24,026	42,137	1,255	43,392
<b>Total comprehensive income for the financial period</b>							
<b>Profit for the financial period</b>	–	–	–	2,454	2,454	80	2,534
<b>Other comprehensive income</b>							
<b>Items that may be reclassified subsequently to income statement:</b>							
Financial assets, at FVOCI							
Fair value gains for the financial period	–	–	598	–	598	41	639
Reclassification of (gains)/losses to income statement							
- on disposal	–	–	(107)	–	(107)	(5)	(112)
- on impairment	–	–	(2)	–	(2)	(#)	(2)
Tax on net movements	–	–	(67)	–	(67)	(6)	(73)
Cash flow hedges	–	–	–	(3)	(3)	–	(3)
Currency translation on foreign operations	–	–	–	(40)	(40)	6	(34)
Other comprehensive income of associates	–	–	32	(36)	(4)	–	(4)
<b>Items that will not be reclassified subsequently to income statement:</b>							
Financial assets, at FVOCI, net change in fair value	–	–	310	(70)	240	17	257
Defined benefit plans remeasurements	–	–	–	#	#	#	#
Own credit	–	–	–	1	1	–	1
<b>Total other comprehensive income, net of tax</b>	–	–	764	(148)	616	53	669
<b>Total comprehensive income for the financial period, net of tax</b>	–	–	764	2,306	3,070	133	3,203
<b>Transactions with owners, recorded directly in equity</b>							
<b>Contributions by and distributions to owners</b>							
Transfers	–	140	–	(140)	–	–	–
Acquisition of a subsidiary	–	–	–	–	–	2	2
Buy-back of shares held as treasury shares	(133)	–	–	–	(133)	–	(133)
Dividends and distributions	–	–	–	(319)	(319)	(29)	(348)
Share-based payments for staff costs	–	10	–	–	10	–	10
Shares issued in lieu of ordinary dividends	689	–	–	(689)	–	–	–
Shares issued to non-executive directors	1	–	–	–	1	–	1
Shares transferred to DSP Trust	–	(4)	–	–	(4)	–	(4)
Shares vested under DSP Scheme	–	70	–	–	70	–	70
Treasury shares transferred/sold	116	(91)	–	–	25	–	25
<b>Total contributions by and distributions to owners</b>	673	125	–	(1,148)	(350)	(27)	(377)
<b>Balance at 30 June 2019</b>	17,920	1,055	698	25,184	44,857	1,361	46,218
Included in the balances:							
Share of reserves of associates	–	–	57	1,361	1,418	–	1,418

<sup>(1)</sup> Including regulatory loss allowance reserve of \$534 million at 1 January 2019 and \$675 million at 30 June 2019.

<sup>(2)</sup> # represents amounts less than \$0.5 million.

The accompanying notes form an integral part of these unaudited condensed interim financial statements.

**OVERSEA-CHINESE BANKING CORPORATION LIMITED AND ITS SUBSIDIARIES**

**UNAUDITED CONDENSED CONSOLIDATED CASH FLOW STATEMENT**

*For the half year ended 30 June 2020*

<b>In \$ million</b>	<b>1H 2020</b>	<b>1H 2019</b>
<b>Cash flows from operating activities</b>		
Profit before income tax	1,767	2,953
Adjustments for non-cash items:		
Allowances for loans and other assets	1,407	360
Amortisation of intangible assets	53	51
Change in hedging transactions, fair value through profit or loss securities and debt issued	148	(117)
Depreciation of property and equipment and interest expense on lease liabilities	214	196
Net gain on disposal of government, debt and equity securities	(160)	(82)
Net gain on disposal of property and equipment	(14)	(41)
Net gain on disposal of a subsidiary	–	(1)
Share-based costs	38	35
Share of results of associates, net of tax	(328)	(316)
Items relating to life insurance fund		
Surplus before income tax	340	416
Surplus transferred from life insurance fund	(338)	(375)
Operating profit before change in operating assets and liabilities	3,127	3,079
Change in operating assets and liabilities:		
Deposits of non-bank customers	6,954	1,391
Deposits and balances of banks	4,210	3,692
Derivative payables and other liabilities	8,604	273
Trading portfolio liabilities	333	103
Restricted balances with central banks	669	115
Government securities and treasury bills	(2,944)	(709)
Fair value through profit or loss securities	(1,394)	(622)
Placements with and loans to banks	(295)	1,825
Loans to customers	(3,398)	(5,220)
Derivative receivables and other assets	(9,589)	(674)
Net change in investment assets and liabilities of life insurance fund	431	525
Cash provided by operating activities	6,708	3,778
Income tax paid	(271)	(459)
<b>Net cash provided by operating activities</b>	<b>6,437</b>	<b>3,319</b>
<b>Cash flows from investing activities</b>		
Acquisition of a subsidiary, net of cash acquired	–	15
Dividends from associates	72	9
Investment in an associate	(322)	–
Purchases of debt and equity securities	(7,957)	(8,486)
Purchases of property and equipment	(159)	(140)
Proceeds from disposal of debt and equity securities	6,900	7,707
Proceeds from disposal of property and equipment	16	61
<b>Net cash used in investing activities</b>	<b>(1,450)</b>	<b>(834)</b>
<b>Cash flows from financing activities</b>		
Buy-back of shares held as treasury shares	(63)	(133)
Changes in non-controlling interests	4	–
Dividends and distributions paid	(1,292)	(348)
Net redemption of other debt issued	(6,846)	(1,728)
Payment of lease liabilities	(49)	(36)
Proceeds from treasury shares transferred/sold under the Bank's employee share schemes	7	25
Redemption of subordinated debt issued	–	(131)
<b>Net cash used in financing activities</b>	<b>(8,239)</b>	<b>(2,351)</b>
<b>Net currency translation adjustments</b>	<b>418</b>	<b>(63)</b>
<b>Net change in cash and cash equivalents</b>	<b>(2,834)</b>	<b>71</b>
Cash and cash equivalents at 1 January	18,060	13,386
<b>Cash and cash equivalents at 30 June</b>	<b>15,226</b>	<b>13,457</b>

*The accompanying notes form an integral part of these unaudited condensed interim financial statements.*

# OVERSEA-CHINESE BANKING CORPORATION LIMITED AND ITS SUBSIDIARIES

## NOTES TO THE UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS

For the half year ended 30 June 2020

---

These notes form an integral part of the unaudited condensed interim financial statements.

The unaudited condensed interim financial statements were authorised by the Board of Directors on 6 August 2020.

### 1. General

Oversea-Chinese Banking Corporation Limited (the Bank) is incorporated and domiciled in Singapore and is listed on the Singapore Exchange Securities Trading Limited. The address of the Bank's registered office is 63 Chulia Street, #10-00 OCBC Centre East, Singapore 049514.

The unaudited condensed interim financial statements relate to the Bank and its subsidiaries (together referred to as the Group) and the Group's interests in associates. The Group is principally engaged in the business of banking, life insurance, general insurance, asset management, investment holding, futures and stockbroking.

### 2. Basis of preparation

#### 2.1 Statement of compliance

The unaudited condensed interim financial statements have been prepared in accordance with Singapore Financial Reporting Standards (International) (SFRS(I)) 1-34 *Interim Financial Reporting*, and do not include all of the information required for full annual financial statements. These unaudited condensed interim financial statements are to be read in conjunction with the financial statements as at and for the year ended 31 December 2019.

#### 2.2 Basis of presentation

The unaudited condensed interim financial statements are presented in Singapore Dollar, rounded to the nearest million unless otherwise stated. # represents amounts less than \$0.5 million. The unaudited condensed interim financial statements have been prepared under the historical cost convention, except as disclosed in the financial statements as at and for the year ended 31 December 2019.

#### 2.3 Use of estimates and judgements

The preparation of unaudited condensed interim financial statements in conformity with SFRS(I) requires management to exercise its judgement, use estimates and make assumptions in the application of accounting policies on the reported amounts of assets, liabilities, revenues and expenses. Although these estimates are based on management's best knowledge of current events and actions, actual results may ultimately differ from these estimates.

In preparing these unaudited condensed interim financial statements, the significant judgements made by management in applying the accounting policies and the key sources of estimation uncertainty were the same as those applied in the financial statements as at and for the year ended 31 December 2019, except for the following additions.

#### COVID-19 pandemic

The COVID-19 pandemic and the effects on the global economy are unprecedented in its scale and impact. These have increased the estimated uncertainty in the preparation of these unaudited condensed interim financial statements. Sources of estimation uncertainty include how the pandemic will continue to evolve, the corresponding impact on the duration and extent of disruption to businesses, individuals and the wider economy (including macroeconomic forecasts, credit, liquidity and market conditions) as well as the effectiveness of government support measures in softening the impact of the crisis.

The significant accounting estimates impacted by these uncertainties relate mainly to impairment of financial assets and impairment of goodwill and intangible assets, as discussed below:

## OVERSEA-CHINESE BANKING CORPORATION LIMITED AND ITS SUBSIDIARIES

### NOTES TO THE UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS

For the half year ended 30 June 2020

---

#### 2. Basis of preparation (continued)

##### 2.3 Use of estimates and judgements (continued)

###### **Impairment of financial assets**

In determining whether the credit risk of the Group's financial exposures has increased significantly since initial recognition, the Group considers quantitative and qualitative information such as the Group's historical credit assessment experience and available forward-looking information. Expected credit losses (ECL) estimates are based on probability-weighted forward-looking economic scenarios. The parameters used in ECL measurement (probability of default, loss given default and exposure at default) incorporates forward-looking information. The determination of the forward-looking economic scenarios and incorporation of forward-looking information into ECL measurement requires management to exercise judgement based on its assessment of current macroeconomic conditions.

###### **Allowances for non-credit impaired loans to customers**

As of 30 June 2020, the forward-looking scenarios used in the ECL model have been updated from those as of 31 December 2019. They reflect the latest available macroeconomic view which shows a sharp deterioration in the short term and a gradual subsequent recovery, resulting in an increase in ECL during the half year. This view also considers the impact of significant government measures (primarily in Singapore, Malaysia, Hong Kong and China) to cushion the impact of the crisis to some degree. Due to the unprecedented nature of the COVID-19 crisis, additional post-model adjustment has been made during the half year to account for the estimated impact of continued economic uncertainties not reflected in the modelled outcome, which further increased the ECL.

Another key element in determining ECL is the assessment of whether or not a significant increase in credit risk (SICR) has occurred and hence whether a lifetime, rather than 12-month, ECL is required. During this half year, various loan reliefs, such as payment holidays and moratoriums, have been offered to affected customers as part of a broader set of COVID-19 support measures. Deferral of payments by customers in hardship arrangements is generally treated as an indication of a SICR. However, in line with regulatory guidance, the Group has determined that the extension of such reliefs are not automatically considered to indicate SICR, but considers it within a broader set of indicators to assess and grade customer facilities as necessary.

The Group's allowances for financial assets are disclosed in Note 17.

###### **Allowances for credit impaired loans to customers**

In respect of credit impaired exposures, management judgement and estimation are applied in, amongst others, identifying impaired exposures, estimating the related recoverable cash flows and where applicable, determining collateral values and timing of realisation. Judgements and assumptions in respect of these matters have been updated to reflect the potential impact of COVID-19.

The Group's allowances for credit impaired loans to customers are disclosed in Note 16.

###### **Impairment of goodwill and intangible assets**

The recoverable amount of goodwill and intangible assets are determined based on the present value of estimated future cash flows from the cash generating units' continuing operations. In light of current macroeconomic conditions, management reassessed the assumptions applied in estimating the future cash flows, including growth rates and discount rates used in computing the recoverable amount, and determined that no impairment should be recognised during the half year.

Given the uncertainty of the current economic environment, market sentiment, and regulatory and industry responses, the forecasts are likely to change. This will continue to be reviewed and a further impairment test will be performed at year end.

**OVERSEA-CHINESE BANKING CORPORATION LIMITED AND ITS SUBSIDIARIES**

**NOTES TO THE UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS**

*For the half year ended 30 June 2020*

**2. Basis of preparation (continued)**

**2.4 Significant accounting policies**

The following new/revised financial reporting standards and interpretations were applied with effect from 1 January 2020:

<b>SFRS(I)</b>	<b>Title</b>
Various	<i>Amendments to References to the Conceptual Framework in SFRS(I) Standards</i>
SFRS(I) 3 (Amendments)	<i>Definition of a Business</i>
SFRS(I) 1-1 and SFRS(I) 1-8 (Amendments)	<i>Definition of Material</i>
SFRS(I) 16 (Amendments)	<i>Covid-19-Related Rent Concessions</i>

The initial application of the above standards (including their consequential amendments) and interpretations did not have any material impact on the Group's financial statements.

The accounting policies applied by the Group in the unaudited condensed interim financial statements are the same as those applied by the Group in its financial statements as at and for the year ended 31 December 2019.

There are a number of new/revised financial reporting standards in issue but not yet effective. They are not expected to have a material impact on the Group's financial statements when adopted except for SFRS(I) 17 *Insurance Contracts*. SFRS(I) 17 is effective from 1 January 2021. The effective date of IFRS 17 (equivalent of SFRS(I) 17) issued by the International Accounting Standards Board has been deferred to 1 January 2023.

**2.5 Comparative figures**

Certain comparative figures have been reclassified to be consistent with current period's presentation.

	<b>GROUP</b>		
	<b>1H 2019</b>		
	<b>As restated</b>	<b>As previously</b>	<b>Increase/</b>
	<b>\$ million</b>	<b>reported</b>	<b>(Decrease)</b>
		<b>\$ million</b>	<b>\$ million</b>
<b>Income statement</b>			
Net trading income	478	–	478
Rental income	–	39	(39)
Other income	181	620	(439)
	<b>GROUP</b>		
	<b>31 December 2019</b>		
	<b>As restated</b>	<b>As previously</b>	<b>Increase/</b>
	<b>\$ million</b>	<b>reported</b>	<b>(Decrease)</b>
		<b>\$ million</b>	<b>\$ million</b>
<b>Balance sheet</b>			
Assets pledged	–	1,166	(1,166)
Other government treasury bills and securities	17,712	17,620	92
Placements with and loans to banks	35,864	35,813	51
Loans to customers	262,348	262,045	303
Debt and equity securities	29,253	28,533	720

OVERSEA-CHINESE BANKING CORPORATION LIMITED AND ITS SUBSIDIARIES

NOTES TO THE UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS

For the half year ended 30 June 2020

3. Net interest income

	GROUP	
	1H 2020 \$ million	1H 2019 \$ million
<b>Interest income</b>		
Loans to customers	3,980	4,569
Placements with and loans to banks	547	774
Other interest-earning assets	702	750
	<u>5,229</u>	<u>6,093</u>
<b>Interest expense</b>		
Deposits of non-bank customers	(1,807)	(2,448)
Deposits and balances of banks	(60)	(97)
Other borrowings	(253)	(426)
	<u>(2,120)</u>	<u>(2,971)</u>
<b>Net interest income</b>	<u>3,109</u>	<u>3,122</u>

4. Profit from life insurance

	GROUP	
	1H 2020 \$ million	1H 2019 \$ million
Premium income	6,077	5,039
Investment income	1,379	4,193
Net claims, surrenders and annuities	(3,417)	(2,970)
Net change in life insurance fund contract liabilities	(3,195)	(4,835)
Commission and others	(506)	(1,052)
<b>Profit from life insurance</b>	<u>338</u>	<u>375</u>

5. Fees and commissions (net)

	GROUP	
	1H 2020 \$ million	1H 2019 \$ million
Fee and commission income	1,138	1,153
Fee and commission expense	(152)	(136)
<b>Fees and commissions (net)</b>	<u>986</u>	<u>1,017</u>

OVERSEA-CHINESE BANKING CORPORATION LIMITED AND ITS SUBSIDIARIES

NOTES TO THE UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS

For the half year ended 30 June 2020

6. Net trading income

	GROUP	
	1H 2020 \$ million	1H 2019 \$ million
Foreign exchange	87	231
Net gain from fair value hedge ineffectiveness	1	2
Net gain/(loss) from interest rate and other derivative financial instruments	279	(52)
Net (loss)/gain from non-derivative financial instruments	(31)	295
Others	7	2
<b>Net trading income</b>	<b>343</b>	<b>478</b>

7. Other income

	GROUP	
	1H 2020 \$ million	1H 2019 \$ million
Net gain on disposal of investment securities	160	82
Net gain on disposal of properties	14	41
Net gain on disposal of a subsidiary	–	1
Rental income	27	39
Others	7	18
<b>Total other income</b>	<b>208</b>	<b>181</b>

8. Other operating expenses

	GROUP	
	1H 2020 \$ million	1H 2019 \$ million
Property and equipment:		
Depreciation	211	193
Maintenance	66	64
Rental expenses	6	15
Others	141	143
	424	415
Other operating expenses	389	441
<b>Total other operating expenses</b>	<b>813</b>	<b>856</b>

9. Allowances for loans and other assets

	GROUP	
	1H 2020 \$ million	1H 2019 \$ million
Allowances/(write-back):		
Impaired loans	766	324
Impaired other assets	27	1
Non-impaired loans	607	38
Non-impaired other assets	7	(3)
<b>Allowances for loans and other assets</b>	<b>1,407</b>	<b>360</b>

**OVERSEA-CHINESE BANKING CORPORATION LIMITED AND ITS SUBSIDIARIES**

**NOTES TO THE UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS**

*For the half year ended 30 June 2020*

**10. Distributions/dividends**

	<b>GROUP</b>	
	<b>1H 2020</b>	<b>1H 2019</b>
	<b>\$ million</b>	<b>\$ million</b>
Ordinary dividends:		
2018 final tax exempt dividend of 23 cents	–	978
2019 final tax exempt dividend of 28 cents	<b>1,233</b>	–
Distributions for other equity instruments:		
3.8% perpetual capital securities	<b>10</b>	10
4.0% perpetual capital securities	<b>20</b>	20
<b>Total distributions and dividends</b>	<b>1,263</b>	<b>1,008</b>

Cash which was paid on 24 June 2019 in respect of the 2018 final tax exempt dividend of 23 cents amounted to \$289 million. 65 million ordinary shares were issued on 24 June 2019 pursuant to the OCBC Scrip Dividend Scheme in lieu of cash for the remaining balance of \$689 million.

OCBC Scrip Dividend Scheme was not applicable for the 2019 final tax exempt dividend of 28 cents.

**11. Share capital and other equity**

**11.1 Share capital**

<b>GROUP</b>	<b>2020</b>	<b>2019</b>
	<b>Shares</b>	<b>Shares</b>
	<b>(million)</b>	<b>(million)</b>
<b>Ordinary shares</b>		
At 1 January	<b>4,409</b>	4,257
Shares issued in lieu of ordinary dividends	–	152
Shares issued to non-executive directors	#	#
At 30 June 2020/31 December 2019	<b>4,409</b>	<b>4,409</b>
<b>Treasury shares</b>		
At 1 January	(7)	(7)
Share buyback	(7)	(17)
Share Option Schemes	1	3
Share Purchase Plan	#	6
Treasury shares transferred to DSP Trust	<b>10</b>	8
At 30 June 2020/31 December 2019	<b>(3)</b>	<b>(7)</b>
	<b>30 June</b>	<b>31 December</b>
	<b>2020</b>	<b>2019</b>
	<b>\$ million</b>	<b>\$ million</b>
<b>GROUP</b>		
<b>Issued share capital</b>	<b>17,296</b>	<b>17,261</b>

**11.2 Other equity instruments**

	<b>GROUP</b>	
	<b>30 June</b>	<b>31 December</b>
	<b>2020</b>	<b>2019</b>
	<b>\$ million</b>	<b>\$ million</b>
<b>Non-cumulative non-convertible perpetual capital securities (Capital Securities)</b>		
SGD500 million 3.8% Capital Securities	<b>499</b>	499
SGD1,000 million 4.0% Capital Securities	<b>998</b>	998
	<b>1,497</b>	<b>1,497</b>



OVERSEA-CHINESE BANKING CORPORATION LIMITED AND ITS SUBSIDIARIES

NOTES TO THE UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS

For the half year ended 30 June 2020

12. Deposits and balances of non-bank customers and banks

	GROUP	
	30 June 2020	31 December 2019
	\$ million	\$ million
<b>Deposits of non-bank customers</b>		
Current accounts	110,450	89,024
Savings deposits	65,040	57,465
Term deposits	101,999	123,334
Structured deposits	5,649	5,656
Certificates of deposit issued	18,240	20,402
Other deposits	8,353	6,970
	<b>309,731</b>	<b>302,851</b>
<b>Deposits and balances of banks</b>	<b>12,460</b>	<b>8,250</b>
	<b>322,191</b>	<b>311,101</b>

13. Derivative financial instruments

The derivative financial instruments shown in the following tables are held for both trading and hedging purposes. The contractual or underlying principal amounts of these derivative financial instruments and their corresponding gross positive (derivative receivables) and negative (derivative payables) fair values at balance sheet date are analysed below.

	30 June 2020			31 December 2019		
	Principal notional amount	Derivative receivables	Derivative payables	Principal notional amount	Derivative receivables	Derivative payables
<b>GROUP (\$ million)</b>						
Foreign exchange derivatives	547,719	3,735	3,549	437,316	2,859	3,078
Interest rate derivatives	525,585	9,575	9,809	528,444	4,223	4,279
Equity derivatives	11,006	631	574	8,079	147	211
Credit derivatives	6,173	74	72	4,465	47	47
Other derivatives	7,556	120	125	5,732	73	72
<b>Total</b>	<b>1,098,039</b>	<b>14,135</b>	<b>14,129</b>	<b>984,036</b>	<b>7,349</b>	<b>7,687</b>

14. Debt issued

	Note	GROUP	
		30 June 2020	31 December 2019
		\$ million	\$ million
<b>Unsecured</b>			
Subordinated debt	14.1	1,923	1,797
Fixed and floating rate notes	14.2	4,039	4,502
Commercial paper	14.3	12,003	17,872
Structured notes	14.4	2,035	1,742
		<b>20,000</b>	<b>25,913</b>
<b>Secured</b>			
Covered bonds	14.5	3,596	3,475
<b>Total debt issued</b>		<b>23,596</b>	<b>29,388</b>

14.1 Subordinated debt

- During the six months ended 30 June 2020, there was no subordinated debt issued.
- During the six months ended 30 June 2020, there was no subordinated debt redeemed and cancelled.
- Details of other subordinated debts can be found in the financial statements as at and for the year ended 31 December 2019.

OVERSEA-CHINESE BANKING CORPORATION LIMITED AND ITS SUBSIDIARIES

NOTES TO THE UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS

For the half year ended 30 June 2020

14. Debt issued (continued)

14.2 Fixed and floating rate notes

	Issue date	Maturity date	GROUP	
			30 June 2020 \$ million	31 December 2019 \$ million
<b>Issued by the Bank:</b>				
AUD300 million floating rate notes	17 Mar 2016	17 Mar 2020	–	283
AUD500 million floating rate notes	6 Oct 2017	6 Oct 2020		
	– 6 Nov 2017		478	472
AUD600 million floating rate notes	23 Apr 2018	23 Apr 2021	574	566
AUD500 million floating rate notes	6 Sep 2018	6 Sep 2021	478	471
AUD100 million floating rate notes	28 Nov 2018	24 Feb 2020	–	94
AUD200 million floating rate notes	8 Apr 2019	6 Apr 2020	–	189
AUD700 million floating rate notes (2019: AUD550 million)	23 May 2019	23 May 2022		
	– 15 Jan 2020		670	518
AUD500 million floating rate notes	5 Dec 2019	5 Dec 2022	478	471
CNY500 million 3.50% fixed rate notes	5 Feb 2013	5 Feb 2020	–	97
HKD1.403 billion 1.59% fixed rate notes	25 Sep 2017	25 Sep 2020	253	243
USD340 million floating rate notes	17 May 2018	17 May 2021	474	458
			<b>3,405</b>	<b>3,862</b>
<b>Issued by PT Bank OCBC NISP Tbk:</b>				
IDR454 billion 7.70% fixed rate bonds	22 Aug 2017	22 Aug 2020	45	44
IDR609 billion 7.20% fixed rate bonds	12 Dec 2017	12 Dec 2020	60	59
IDR535 billion 6.90% fixed rate bonds	11 Apr 2018	10 Apr 2021	49	48
IDR3 billion 7.25% fixed rate bonds	6 Jul 2018	6 Jul 2020	#	#
IDR342 billion 7.75% fixed rate bonds	6 Jul 2018	6 Jul 2021	33	33
			<b>187</b>	<b>184</b>
<b>Issued by Pac Lease Berhad:</b>				
MYR85 million 4.40% fixed rate notes	13 Nov 2018	13 May 2020	–	28
MYR80 million 3.80% fixed rate notes	23 Sep 2019	23 Mar 2021	26	26
MYR50 million 3.80% fixed rate notes	26 Sep 2019	26 Mar 2021	10	16
MYR50 million 3.45% fixed rate notes	6 Mar 2020	7 Mar 2022	16	–
			<b>52</b>	<b>70</b>
<b>Issued by OCBC Wing Hang Bank (China) Limited:</b>				
CNY2 billion 4.06% fixed rate bonds	28 Nov 2018	28 Nov 2021	395	386
<b>Total fixed and floating rate notes</b>			<b>4,039</b>	<b>4,502</b>

14.3 Commercial paper

	Note	GROUP	
		30 June 2020 \$ million	31 December 2019 \$ million
Issued by the Bank	(a)	11,951	17,750
Issued by Pac Lease Berhad	(b)	52	122
<b>Total commercial paper issued</b>		<b>12,003</b>	<b>17,872</b>

- (a) The commercial paper were issued by the Bank under its USD10 billion ECP programme and USD15 billion USCP programme. The notes outstanding as at 30 June 2020 were issued between 8 August 2019 (2019: 19 February 2019) and 18 June 2020 (2019: 20 December 2019), and mature between 1 July 2020 (2019: 3 January 2020) and 5 February 2021 (2019: 5 November 2020), yielding between 0.21% and 0.45% (2019: 0.81% and 2.09%).

**OVERSEA-CHINESE BANKING CORPORATION LIMITED AND ITS SUBSIDIARIES**

**NOTES TO THE UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS**

*For the half year ended 30 June 2020*

**14. Debt issued (continued)**

**14.3 Commercial paper (continued)**

- (b) Pac Lease Berhad issued the commercial paper under its MYR1 billion 7-year CP/MTN programme. The notes outstanding as at 30 June 2020 were issued between 17 April 2020 (2019: 4 December 2019) and 24 June 2020 (2019: 19 December 2019), and mature between 17 July 2020 (2019: 3 January 2020) and 25 September 2020 (2019: 20 January 2020), with interest rate ranging from 2.75% to 3.15% (2019: 3.55%).

**14.4 Structured notes**

	Issue date	Maturity date	GROUP	
			30 June 2020	31 December 2019
			\$ million	\$ million
<b>Issued by the Bank:</b>				
Credit linked notes	1 Oct 2012 – 26 Jun 2020	30 Jul 2020 – 15 Jan 2026	995	1,094
Fixed rate notes	9 Oct 2012 – 27 Dec 2012	9 Oct 2037 – 28 Dec 2037	112	108
Bond linked notes	12 Oct 2016 – 2 Apr 2020	9 Dec 2020 – 24 May 2027	271	342
Index linked notes	12 Feb 2018 – 15 Mar 2019	30 Jul 2020 – 25 Feb 2021	30	60
Fund linked notes	16 Jul 2018 – 10 Jun 2020	4 Mar 2021 – 12 Dec 2024	42	39
Participation notes	14 Jun 2019 – 24 Jun 2020	16 Jun 2020 – 16 Jul 2024	585	100
			<b>2,035</b>	<b>1,743</b>

The structured notes were issued by the Bank under its Structured Note and Global Medium Term Notes Programmes and were measured at amortised cost, except for \$900 million (2019: \$969 million) included under credit linked notes and \$271 million (2019: \$342 million) included under bond linked notes as at 30 June 2020 which were measured at fair value through profit or loss.

In accordance with SFRS(I) 9 *Financial Instruments*, to the extent that the underlying economic characteristics and risks of the embedded derivatives were not closely related to the economic characteristics and risks of the host contract, and where such embedded derivatives would meet the definition of a derivative, the Group bifurcated such embedded derivatives and recognised these separately from the host contracts. The bifurcated embedded derivatives were fair valued through profit or loss, and were included as part of the Group's derivatives in the financial statements.

**14.5 Covered bonds**

	Issue date	Maturity date	GROUP	
			30 June 2020	31 December 2019
			\$ million	\$ million
<b>Issued by the Bank:</b>				
EUR1 billion 0.25% fixed rate bonds	21 Mar 2017	21 Mar 2022		
	– 5 Oct 2017	– 5 Oct 2022	1,573	1,510
EUR500 million 0.375% fixed rate bonds	1 Mar 2018	1 Mar 2023	792	760
EUR500 million 0.625% fixed rate bonds	18 Apr 2018	18 Apr 2025	803	764
GBP250 million floating rate bonds	14 Mar 2018	14 Mar 2023	428	441
			<b>3,596</b>	<b>3,475</b>

The covered bonds were issued by the Bank under its USD10 billion Global Covered Bond Programme. The Covered Bond Guarantor, Red Sail Pte. Ltd., guarantees the payments of interest and principal. The guarantee is secured by a portfolio of Singapore home loans transferred from OCBC Bank to Red Sail Pte. Ltd.. Interest is payable annually in arrears.

**OVERSEA-CHINESE BANKING CORPORATION LIMITED AND ITS SUBSIDIARIES**

**NOTES TO THE UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS**

*For the half year ended 30 June 2020*

**15. Loans to customers**

	<b>GROUP</b>	
	<b>30 June 2020</b>	<b>31 December 2019</b>
	<b>\$ million</b>	<b>\$ million</b>
<b>Gross loans</b>		
Amortised cost	267,755	264,593
Mandatorily measured at FVTPL	119	180
	<u>267,874</u>	<u>264,773</u>
<b>Allowances</b>		
Impaired loans (Note 16)	(1,840)	(1,395)
Non-impaired loans	(1,643)	(1,030)
<b>Net loans</b>	<u>264,391</u>	<u>262,348</u>
Bills receivable	5,965	7,462
Loans	258,426	254,886
<b>Net loans</b>	<u>264,391</u>	<u>262,348</u>

**16. Allowances for impaired loans to customers**

	<b>GROUP</b>	
	<b>2020</b>	<b>2019</b>
	<b>\$ million</b>	<b>\$ million</b>
At 1 January	1,395	1,219
Currency translation	32	(12)
Write-offs	(344)	(642)
Allowances	786	929
Recovery	(20)	(73)
Net allowances charged to income statement for 1H 2020/year ended 2019	766	856
Interest recognition on impaired loans	(23)	(53)
Transfers	14	27
At 30 June 2020/31 December 2019 (Note 15)	<u>1,840</u>	<u>1,395</u>

OVERSEA-CHINESE BANKING CORPORATION LIMITED AND ITS SUBSIDIARIES

NOTES TO THE UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS

For the half year ended 30 June 2020

17. Allowances for financial assets

The following tables show reconciliations from the opening to the closing balance of expected credit loss (ECL).

\$ million	Stage 1	Stage 2	Stage 3	Total
<b>GROUP</b>				
<b>At 1 January 2019</b>	491	523	1,221	2,235
Transfer to Stage 1	474	(446)	(28)	–
Transfer to Stage 2	(104)	149	(45)	–
Transfer to Stage 3	(4)	(186)	190	–
Remeasurement <sup>(1)</sup>	(563)	514	714	665
New financial assets originated or purchased	545	239	–	784
Financial assets that have been derecognised	(374)	(216)	–	(590)
Changes in models <sup>(2)</sup>	4	–	–	4
Write-offs	–	–	(642)	(642)
Foreign exchange and other movements	1	1	(13)	(11)
<b>At 31 December 2019/1 January 2020</b>	<b>470</b>	<b>578</b>	<b>1,397</b>	<b>2,445</b>
Transfer to Stage 1	252	(239)	(13)	–
Transfer to Stage 2	(94)	102	(8)	–
Transfer to Stage 3	(2)	(57)	59	–
Remeasurement <sup>(1)</sup>	147	396	719	1,262
New financial assets originated or purchased	302	118	–	420
Financial assets that have been derecognised	(213)	(124)	–	(337)
Changes in models <sup>(2)</sup>	23	–	–	23
Write-offs	–	–	(344)	(344)
Foreign exchange and other movements	6	3	32	41
<b>At 30 June 2020</b>	<b>891</b>	<b>777</b>	<b>1,842</b>	<b>3,510</b>

**Analysed by main class of financial instruments**

**Loans to customers at amortised cost <sup>(3)</sup>**

\$ million	Stage 1	Stage 2	Stage 3	Total
<b>GROUP</b>				
<b>At 1 January 2019</b>	466	518	1,219	2,203
Transfer to Stage 1	471	(443)	(28)	–
Transfer to Stage 2	(103)	148	(45)	–
Transfer to Stage 3	(5)	(186)	191	–
Remeasurement <sup>(1)</sup>	(544)	512	713	681
New financial assets originated or purchased	517	239	–	756
Financial assets that have been derecognised	(352)	(214)	–	(566)
Changes in models <sup>(2)</sup>	3	–	–	3
Write-offs	–	–	(642)	(642)
Foreign exchange and other movements	2	1	(13)	(10)
<b>At 31 December 2019/1 January 2020</b>	<b>455</b>	<b>575</b>	<b>1,395</b>	<b>2,425</b>
Transfer to Stage 1	248	(235)	(13)	–
Transfer to Stage 2	(93)	101	(8)	–
Transfer to Stage 3	(2)	(57)	59	–
Remeasurement <sup>(1)</sup>	154	389	719	1,262
New financial assets originated or purchased	289	118	–	407
Financial assets that have been derecognised	(205)	(123)	–	(328)
Changes in models <sup>(2)</sup>	20	–	–	20
Write-offs	–	–	(344)	(344)
Foreign exchange and other movements	6	3	32	41
<b>At 30 June 2020</b>	<b>872</b>	<b>771</b>	<b>1,840</b>	<b>3,483</b>

<sup>(1)</sup> Remeasurement includes the changes in model inputs or assumptions such as changes in the forward looking macroeconomic variables, partial repayments, additional drawdowns on existing facilities, changes in the measurement after a transfer between stages 1, 2 and 3, and the unwinding impact of time value of money.

<sup>(2)</sup> Changes in models include significant changes to the quantitative models used to estimate the impacts of the expected credit losses.

<sup>(3)</sup> Includes ECL on contingent liabilities and other credit commitments.

OVERSEA-CHINESE BANKING CORPORATION LIMITED AND ITS SUBSIDIARIES

NOTES TO THE UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS

For the half year ended 30 June 2020

18. Segment information

18.1 Business segments

\$ million	Global Consumer/ Private Banking	Global Wholesale Banking	Global Treasury and Markets	OCBC Wing Hang	Insurance	Others	Group
<b>Half year ended 30 June 2020</b>							
Net interest income	952	1,297	343	447	58	12	3,109
Non-interest income	853	341	193	174	493	(48)	2,006
<b>Total income</b>	<b>1,805</b>	<b>1,638</b>	<b>536</b>	<b>621</b>	<b>551</b>	<b>(36)</b>	<b>5,115</b>
Operating profit before allowances and amortisation	684	1,048	378	336	423	30	2,899
Amortisation of intangible assets	(8)	–	–	(21)	(24)	–	(53)
Allowances for loans and other assets	(72)	(1,018)	(#)	(32)	(4)	(281)	(1,407)
<b>Operating profit after allowances and amortisation</b>	<b>604</b>	<b>30</b>	<b>378</b>	<b>283</b>	<b>395</b>	<b>(251)</b>	<b>1,439</b>
Unallocated profits							328
<b>Profit before income tax</b>							<b>1,767</b>
<b>At 30 June 2020</b>							
Segment assets <sup>(1)</sup>	115,141	153,715	92,923	57,674	101,214	18,160	538,827
Unallocated assets							2,102
Elimination							(30,927)
<b>Total assets</b>							<b>510,002</b>
Segment liabilities	147,172	114,680	71,063	48,190	89,910	17,691	488,706
Unallocated liabilities							2,881
Elimination							(30,927)
<b>Total liabilities</b>							<b>460,660</b>
<b>Half year ended 30 June 2019</b>							
Net interest income	1,007	1,400	291	412	52	(40)	3,122
Non-interest income	792	371	104	126	685	94	2,172
<b>Total income</b>	<b>1,799</b>	<b>1,771</b>	<b>395</b>	<b>538</b>	<b>737</b>	<b>54</b>	<b>5,294</b>
Operating profit before allowances and amortisation	730	1,199	257	247	580	35	3,048
Amortisation of intangible assets	(7)	–	–	(21)	(23)	–	(51)
Allowances for loans and other assets	#	(322)	2	(31)	(#)	(9)	(360)
<b>Operating profit after allowances and amortisation</b>	<b>723</b>	<b>877</b>	<b>259</b>	<b>195</b>	<b>557</b>	<b>26</b>	<b>2,637</b>
Unallocated profits							316
<b>Profit before income tax</b>							<b>2,953</b>
<b>At 31 December 2019</b>							
Segment assets <sup>(1)</sup>	112,959	148,221	82,198	52,406	97,158	18,368	511,310
Unallocated assets							1,727
Elimination							(21,346)
<b>Total assets</b>							<b>491,691</b>
Segment liabilities	136,805	115,343	57,095	43,552	85,703	22,853	461,351
Unallocated liabilities							3,083
Elimination							(21,346)
<b>Total liabilities</b>							<b>443,088</b>

<sup>(1)</sup> Includes investments in associates.

## OVERSEA-CHINESE BANKING CORPORATION LIMITED AND ITS SUBSIDIARIES

### NOTES TO THE UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS

For the half year ended 30 June 2020

---

#### 18. Segment information *(continued)*

##### 18.1 Business segments *(continued)*

OCBC Group's businesses are presented in the following customer segments and business activities: Global Consumer/Private Banking, Global Wholesale Banking, Global Treasury and Markets, OCBC Wing Hang and Insurance.

##### **Global Consumer/Private Banking**

Global Consumer/Private Banking provides a full range of products and services to individual customers. At Global Consumer Banking, the products and services offered include deposit products (checking accounts, savings and fixed deposits), consumer loans (housing loans and other personal loans), credit cards, wealth management products (unit trusts, bancassurance products and structured deposits) and brokerage services. Private Banking caters to the specialised banking needs of high net worth individuals, offering wealth management expertise, including investment advice and portfolio management services, estate and trust planning, and wealth structuring.

##### **Global Wholesale Banking**

Global Wholesale Banking serves institutional customers ranging from large corporates and the public sector to small and medium enterprises. The business provides a full range of financing solutions including long-term project financing, short-term credit, working capital and trade financing, as well as customised and structured equity-linked financing. It also provides customers with a broad range of products and services such as cash management and custodian services, capital market solutions, corporate finance services and advisory banking, and treasury products.

##### **Global Treasury and Markets**

Global Treasury and Markets is responsible for the management of the Group's asset and liability interest rate positions, engages in foreign exchange activities, money market operations, fixed income and derivatives trading, and offers structured treasury products and financial solutions to meet customers' investment and hedging needs. Income from treasury products and services offered to customers of other business segments, such as Global Consumer/Private Banking and Global Wholesale Banking, is reflected in the respective business segments.

##### **OCBC Wing Hang**

OCBC Wing Hang offers a comprehensive range of commercial banking and related financial services such as consumer financing, share brokerage and insurance.

##### **Insurance**

The Group's insurance business, including its fund management activities, is undertaken by the Bank's subsidiary Great Eastern Holdings Limited and its subsidiaries, which provide both life and general insurance products to its customers mainly in Singapore and Malaysia.

##### **Others**

Others comprise mainly property holding, investment holding and items not attributable to the business segments described above.

OVERSEA-CHINESE BANKING CORPORATION LIMITED AND ITS SUBSIDIARIES

NOTES TO THE UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS

For the half year ended 30 June 2020

18. Segment information (continued)

18.2 Geographical segments

	GROUP	
	Total income	Profit before income tax
	\$ million	\$ million
<b>Half year ended 30 June 2020</b>		
Singapore	2,711	268
Malaysia	838	459
Indonesia	457	166
Greater China	850	732
Other Asia Pacific	116	76
Rest of the World	143	66
	<b>5,115</b>	<b>1,767</b>
<b>Half year ended 30 June 2019</b>		
Singapore	3,223	1,691
Malaysia	708	381
Indonesia	405	160
Greater China	722	571
Other Asia Pacific	105	77
Rest of the World	131	73
	<b>5,294</b>	<b>2,953</b>
	<b>GROUP</b>	
	<b>Total assets</b>	
	<b>30 June 2020</b>	<b>31 December 2019</b>
	<b>\$ million</b>	<b>\$ million</b>
Singapore	298,538	287,129
Malaysia	66,106	65,584
Indonesia	17,943	17,900
Greater China	86,093	81,684
Other Asia Pacific	18,400	16,264
Rest of the World	22,922	23,130
	<b>510,002</b>	<b>491,691</b>

The geographical information is prepared based on the country in which the transactions are booked. The geographical information is stated after elimination of intra-group transactions and balances.

19. Contingent liabilities

The Group conducts businesses involving acceptances, guarantees, documentary credits and other similar transactions. Acceptances are undertakings by the Group to pay on receipt of bills of exchange drawn. The Group issues guarantees on the performance of customers to third parties. Documentary credits commit the Group to make payments to third parties on presentation of stipulated documents. As the Group will only be required to meet these obligations in the event of customer's default, the cash requirements of these instruments are expected to be considerably below their nominal contractual amounts.

	GROUP	
	30 June 2020	31 December 2019
	\$ million	\$ million
Guarantees and standby letters of credit	6,570	7,301
Others	5,561	6,643
	<b>12,131</b>	<b>13,944</b>



## OVERSEA-CHINESE BANKING CORPORATION LIMITED AND ITS SUBSIDIARIES

### NOTES TO THE UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS

For the half year ended 30 June 2020

---

#### 20. Commitments

Commitments comprise mainly agreements to provide credit facilities to customers. Such credit facilities (cancellable and non-cancellable) can either be made for a fixed period, or have no specific maturity.

	GROUP	
	30 June 2020 \$ million	31 December 2019 \$ million
Credit commitments	165,589	153,799
Other commitments	4,117	2,494
	<b>169,706</b>	<b>156,293</b>

#### 21. Fair values of financial instruments

##### 21.1 Valuation governance framework

The Group has an established governance framework with respect to the measurement of fair values, which includes formalised processes for the review and validation of fair values independent of the businesses entering into the transactions.

The Market Risk Management (MRM) function within the Group Risk Management Division is responsible for the model validation process. Financial models are used to price financial instruments and to calculate value-at-risk (VaR). MRM ensure that the models used are fit for their intended purposes through internal independent validation and periodic review. MRM source market rates independently for risk measurement and valuation.

The Treasury Financial Control and Advisory – Valuation Control function within the Group Finance Division is responsible for the establishment of the overall valuation control framework. This includes, but is not limited to, reviewing and recommending appropriate valuation adjustment methodologies, independent price testing, and identifying valuation gaps.

Valuation policies are formulated and reviewed annually by the Valuation Control function, and approved by the Market Risk Management Committee, the Chief Executive Officer and Board Risk Management Committee. Valuation adjustments are applied to account for input parameter uncertainties, known model deficiencies and other factors that may affect valuation. The main valuation adjustments are described below.

##### Bid Offer Adjustments

When the position is marked at mid-price, bid offer adjustment is applied to account for close out cost.

##### Model Adjustments

Model adjustments are applied when there are inherent limitations in the valuation models used by the Bank.

##### Day 1 Profit or Loss Adjustments

Day 1 profit or loss adjustments are applied when the valuation technique involves the use of significant inputs which are not readily observable. The difference between the fair value at initial recognition and the transaction price is deferred as an adjustment.

##### Credit and Funding Adjustments

Credit and funding adjustments are applied to account for the expected losses due to counterparty default and the cost of funding above the risk-free rate of return of uncollateralised derivatives.

##### Parameter Uncertainty Adjustments

These valuation adjustments mainly include adjustments for illiquid prices or internal methodologies used to derive model inputs.

The Group's internal audit provides independent assurance on the respective divisions' compliance with the policy.

## OVERSEA-CHINESE BANKING CORPORATION LIMITED AND ITS SUBSIDIARIES

### NOTES TO THE UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS

For the half year ended 30 June 2020

---

#### 21. Fair values of financial instruments (continued)

##### 21.2 Fair values

Financial instruments comprise financial assets, financial liabilities and off-balance sheet financial instruments. The fair value of a financial instrument is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants. For financial assets and liabilities not carried at fair value on the financial statements, the Group has determined that their fair values were not materially different from the carrying amounts at the reporting date. The carrying amounts and fair values of financial instruments of the Group are described below.

##### Financial assets

Fair values of cash and balances with central banks, placements with banks, interest and other short term receivables are expected to approximate their carrying amounts due to their short tenor or frequent re-pricing.

Securities held by the Group, comprising government securities and debt and equity securities are substantially carried at fair value on the balance sheet.

Loans to customers are mainly carried at amortised cost on the balance sheet, net of allowances for impaired and non-impaired loans. The Group deems that the carrying amounts of non-bank loans approximate their fair values as substantially all the loans are subject to frequent re-pricing.

##### Financial liabilities

Fair value of certain financial liabilities, which include mainly customer deposits with no stated maturity, interbank borrowings and borrowings under repurchase agreements, are expected to approximate their carrying amounts due to their short tenor. For non-bank customer term deposits, contractual or derived cash flows are discounted at market rates as at reporting date to estimate the fair values, which approximate the carrying amounts.

The fair values of the Group's subordinated term notes and covered bonds are determined based on quoted market prices and independent broker offer prices. For other debts issued which are usually short term, the fair values approximate the carrying amounts.

##### 21.3 Fair value hierarchy

The Group determines the fair values of its financial assets and liabilities using various measurements. The different levels of fair value measurements are as follows:

- Level 1 – quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2 – inputs other than quoted prices included within Level 1 that are observable market data either directly (i.e. as prices) or indirectly (i.e. derived from observable market data). The valuation techniques that use market parameters as inputs include, but are not limited to, yield curves, volatilities and foreign exchange rates; and
- Level 3 – inputs for the valuation that are not based on observable market data.

OVERSEA-CHINESE BANKING CORPORATION LIMITED AND ITS SUBSIDIARIES

NOTES TO THE UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS

For the half year ended 30 June 2020

21. Fair values of financial instruments (continued)

21.3 Fair value hierarchy (continued)

The following table summarises the Group's assets and liabilities recorded at fair value by level of the fair value hierarchies:

GROUP \$ million	30 June 2020				31 December 2019			
	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
<b>Recurring fair value measurements</b>								
<b>Financial assets measured at fair value</b>								
Placements with and loans to banks	1,493	13,056	–	14,549	2,588	10,429	–	13,017
Debt and equity securities	26,553	4,134	1,185	31,872	25,573	2,589	1,025	29,187
Loans to customers	–	–	119	119	–	–	180	180
Derivative receivables	70	13,724	341	14,135	31	7,257	61	7,349
Government treasury bills and securities	28,387	3,351	–	31,738	25,917	2,428	–	28,345
Life insurance fund investment assets	56,151	18,347	1,922	76,420	59,719	14,705	1,764	76,188
<b>Total</b>	<b>112,654</b>	<b>52,612</b>	<b>3,567</b>	<b>168,833</b>	<b>113,828</b>	<b>37,408</b>	<b>3,030</b>	<b>154,266</b>
<b>Non-financial assets measured at fair value</b>								
Life insurance fund investment properties	–	–	1,782	1,782	–	–	1,786	1,786
<b>Total</b>	<b>–</b>	<b>–</b>	<b>1,782</b>	<b>1,782</b>	<b>–</b>	<b>–</b>	<b>1,786</b>	<b>1,786</b>
<b>Financial liabilities measured at fair value</b>								
Derivative payables	111	13,791	227	14,129	41	7,603	43	7,687
Trading portfolio liabilities	425	–	–	425	92	–	–	92
Debt issued	27	1,144	–	1,171	–	1,311	–	1,311
Life insurance fund financial liabilities	13	299	–	312	3	188	–	191
<b>Total</b>	<b>576</b>	<b>15,234</b>	<b>227</b>	<b>16,037</b>	<b>136</b>	<b>9,102</b>	<b>43</b>	<b>9,281</b>

During the financial period, the Group transferred financial assets from Level 2 to Level 1 as prices became observable arising from increased market activity and from Level 1 to Level 2 due to reduced market activity.

**Valuation techniques and unobservable inputs for Level 3 instruments**

GROUP \$ million	Fair value at 30 June 2020	Classification	Valuation techniques	Unobservable inputs
<b>Financial assets</b>				
Debt securities	84	FVTPL	Discounted cash flows	Credit spreads
Equity securities	1,101	FVTPL/FVOCI	Net asset value Multiples	Value of net asset Earnings and multiples
Loans to customers	119	FVTPL	Discounted cash flows	Credit spreads
Derivative receivables	341	FVTPL	Option pricing model Derivatives pricing	Volatility/Correlation Long dated rate
Life insurance fund investment assets	1,922	FVTPL/FVOCI	Net asset value	Value of net asset
<b>Total</b>	<b>3,567</b>			
<b>Financial liabilities</b>				
Derivative payables	227	FVTPL	Option pricing model Derivatives pricing	Volatility/Correlation Long dated rate
<b>Total</b>	<b>227</b>			

Management considers that any reasonably possible changes to the unobservable inputs will not result in a significant financial impact.

OVERSEA-CHINESE BANKING CORPORATION LIMITED AND ITS SUBSIDIARIES

NOTES TO THE UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS

For the half year ended 30 June 2020

21. Fair values of financial instruments (continued)

21.3 Fair value hierarchy (continued)

**Movements in Level 3 financial assets and liabilities**

GROUP \$ million	Debt and equity securities	Loans to customers	Derivative receivables	Life insurance fund investment assets	Total
<b>Financial assets measured at fair value</b>					
<b>At 1 January 2020</b>	<b>1,025</b>	<b>180</b>	<b>61</b>	<b>1,764</b>	<b>3,030</b>
Purchases/issues	88	1	15	160	264
Settlements/disposals	–	(62)	–	(19)	(81)
Transfers in to/(out of) Level 3	24 <sup>(1)</sup>	–	(7) <sup>(2)</sup>	–	17
Gains/(losses) recognised in					
- profit or loss	47	(#)	272	18	337
- other comprehensive income	1	#	(#)	(1)	#
<b>At 30 June 2020</b>	<b>1,185</b>	<b>119</b>	<b>341</b>	<b>1,922</b>	<b>3,567</b>
Unrealised gains/(losses) included in profit or loss for assets held at the end of the period	47	(2)	296	34	375
<b>At 1 January 2019</b>	883	272	71	1,350	2,576
Purchases/issues	96	4	1	654	755
Settlements/disposals	(88)	(95)	–	(227)	(410)
Transfers (out of)/in to Level 3	(#) <sup>(2)</sup>	–	1 <sup>(1)</sup>	–	1
Gains/(losses) recognised in					
- profit or loss	8	(1)	(12)	(15)	(20)
- other comprehensive income	126	(#)	(#)	2	128
<b>At 31 December 2019</b>	<b>1,025</b>	<b>180</b>	<b>61</b>	<b>1,764</b>	<b>3,030</b>
Unrealised gains/(losses) included in profit or loss for assets held at the end of the period	9	(1)	169	19	196

<sup>(1)</sup> Relates to transfers from Level 2 to Level 3 due to use of inputs not based on market observable data.

<sup>(2)</sup> Relates to transfers from Level 3 to Level 2 due to use of inputs based on market observable data.

OVERSEA-CHINESE BANKING CORPORATION LIMITED AND ITS SUBSIDIARIES

NOTES TO THE UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS

For the half year ended 30 June 2020

21. Fair values of financial instruments (continued)

21.3 Fair value hierarchy (continued)

Movements in Level 3 financial assets and liabilities (continued)

GROUP \$ million	2020		2019	
	Derivative payables	Total	Derivative payables	Total
<b>Financial liabilities measured at fair value</b>				
At 1 January	43	43	26	26
Issues	49	49	18	18
Settlements/disposals	(#)	(#)	–	–
Transfers (out of)/in to Level 3	(7) <sup>(1)</sup>	(7)	1 <sup>(2)</sup>	1
Losses/(gains) recognised in				
- profit or loss	142	142	(2)	(2)
- other comprehensive income	(#)	(#)	(#)	(#)
At 30 June/31 December	<u>227</u>	<u>227</u>	<u>43</u>	<u>43</u>
Unrealised losses included in profit or loss for liabilities held at the end of the period	<u>(178)</u>	<u>(178)</u>	<u>(193)</u>	<u>(193)</u>

<sup>(1)</sup> Relates to transfers from Level 3 to Level 2 due to use of inputs based on market observable data.

<sup>(2)</sup> Relates to transfers from Level 2 to Level 3 due to use of inputs not based on market observable data.

Movements in Level 3 non-financial assets

GROUP \$ million	2020		2019	
	Life insurance fund investment properties	Total	Life insurance fund investment properties	Total
<b>Non-financial assets measured at fair value</b>				
At 1 January	1,786	1,786	1,771	1,771
Purchases/transfers	–	–	1	1
Gains/(losses) recognised in				
- profit or loss	–	–	14	14
- other comprehensive income	(4)	(4)	(#)	(#)
At 30 June/31 December	<u>1,782</u>	<u>1,782</u>	<u>1,786</u>	<u>1,786</u>

**REGISTERED OFFICE OF THE ISSUER**

**Oversea-Chinese Banking Corporation Limited**

63 Chulia Street  
#10-00 OCBC Centre East  
Singapore 049514

**ARRANGERS AND DEALERS**

**Merrill Lynch (Singapore) Pte. Ltd.**

50 Collyer Quay, #16-01  
OUE Bayfront  
Singapore 049321

**J.P. Morgan (S.E.A.) Limited**

168 Robinson Road  
15th Floor Capital Tower  
Singapore 068912

**Oversea-Chinese Banking Corporation Limited**

63 Chulia Street  
#03-05 OCBC Centre East  
Singapore 049514

**TRUSTEE**

*in respect of Notes other than AMTNs*

**The Bank of New York Mellon,  
London Branch**

One Canada Square  
London E14 5AL  
United Kingdom

**LEGAL ADVISORS**

**to the Issuer**

*in respect of English and  
U.S. law*

**Linklaters Singapore Pte. Ltd**

One George Street  
#17-01  
Singapore 049145

*in respect of Singapore law*

**Allen & Gledhill LLP**

One Marina Boulevard  
#28-00  
Singapore 018989

*in respect of Australian law*

**King & Wood Mallesons**

Level 61  
Governor Phillip Tower  
1 Farrer Place  
Sydney  
New South Wales 2000  
Australia

**to the Arrangers**

*in respect of English and U.S. law*

**Clifford Chance Pte. Ltd.**

12 Marina Boulevard  
Marina Bay Financial Centre Tower 3  
25th Floor  
Singapore 018982

## AUDITORS

(in respect of the audited annual consolidated financial statements of OCBC Bank as of and for the years ended December 31, 2017, 2018 and 2019)

**KPMG LLP**  
16 Raffles Quay  
#22-00 Hong Leong Building  
Singapore 048581

**ISSUING AND PAYING AGENT  
AND CALCULATION AGENT**

*in respect of Notes other than AMTNs and  
(in the case of the Issuing and Paying Agent  
only) Notes cleared through the CMU,  
CDP and DTC*

**The Bank of New York Mellon,  
London Branch**  
One Canada Square  
London E14 5AL  
United Kingdom

**CDP PAYING AGENT, TRANSFER AGENT  
AND REGISTRAR**

*in respect of Notes cleared through CDP*

**The Bank of New York Mellon,  
Singapore Branch**  
One Temasek Avenue  
#02-01 Millenia Tower  
Singapore 039192

**ISSUING AND PAYING AGENT, PAYING AGENT,  
REGISTRAR AND CALCULATION AGENT**

*in respect of AMTNs only*

**BTA Institutional Services Australia Limited  
(ABN 48 002 916 396)**  
Level 2  
1 Bligh Street  
Sydney  
New South Wales 2000  
Australia

(in respect of the unaudited interim consolidated financial statements of OCBC Bank as of and for the six months ended June 30, 2020)

**PricewaterhouseCoopers LLP**  
7 Straits View  
#12-00 Marina One East Tower  
Singapore 018936

**CMU LODGING AND PAYING AGENT,  
TRANSFER AGENT AND REGISTRAR**

*in respect of Notes cleared through the CMU*

**The Bank of New York Mellon,  
Hong Kong Branch**  
Level 26, Three Pacific Place  
1 Queen's Road East  
Hong Kong

**ISSUING AND PAYING AGENT,  
EXCHANGE AGENT, TRANSFER AGENT  
AND REGISTRAR**

*in respect of Notes cleared through DTC*

**The Bank of New York Mellon**  
240 Greenwich Street  
New York, NY 10286

**REGISTRAR AND TRANSFER AGENT**

*in respect of Notes other than AMTNs and  
Notes cleared through the CMU, CDP and DTC*

**The Bank of New York Mellon SA/NV,  
Luxembourg Branch**  
Vertigo Building – Polaris  
2-4 rue Eugène Ruppert  
L-2453 Luxembourg